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# **JOURNALS**

OF THE

# Legislative Assembly

OF THE

# PROVINCE OF ONTARIO

From the 19th January to 25th March, 1937
Both Days Inclusive

IN THE FIRST YEAR OF THE REIGN OF OUR SOVEREIGN LORD KING GEORGE VI

BEING THE

Third Session of the Nineteenth Legislature of Ontario

SESSION 1937

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To the Seventy-First Volume

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- 4. Question (No. 97) as to total expenditures by Districts since August 1st, 1934, 209.
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- 2. Question (No. 53) as to how many pensions were reduced in 1936, 78.
- 3. Question (No. 56) as to amount of money collected from estates of Pensioners, 79.
- 4. Question (No. 130) as to number in receipt of, and amount paid out on January 31st, 1937, 118.

## OLD AGE PENSIONS ACT, THE:

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### ONTARIO ATHLETIC COMMISSION, THE:

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ONTARIO HISTORICAL SOCIETY, THE:

Report to March 31st, 1936, 44. (Sessional Paper No. 38.)

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OTTAWA, CITY OF:

Petition for an Act respecting, 27. Read and received, 29. Reported by Committee on Standing Orders, 69. Bill (No. 27) introduced and referred to Committee on Private Bills, 71. Reported as amended, 102. Second reading, 129. House in Committee, 152. Third reading, 158. Royal Assent, 219. (1 George VI, c. 96.)

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- 2. Question (No. 104) as to conditions antecedent to granting parole, 171.

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## PETERBOROUGH, CITY OF:

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## PHARMACY ACT, THE:

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## PLANT DISEASES AND INSECTS, ACT RESPECTING:

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- 2. Bill (No. 33) to declare the meaning of subsection 4 of Section 6, introduced, 12. Second reading, 21, 22. House in Committee, 24. Third reading, 24. Royal Assent, 24. (1 George VI, c. 58.)
- 3. Bill (No. 75) to amend, introduced, 63. Second reading, 67. House in Committee, 75. Third reading, 83. Royal Assent, 220. (1 George VI, c. 60.)

## POWER CONTRACTS VALIDATION ACT, 1937:

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### PRIME MINISTER:

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- 2. Appointed, 31.
- 3. Report, 138.

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- 1. Authorized, 9.
- 2. Appointed, 31.
- 3. Reports, 58, 69, 101, 113, 154.

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- 1. Authorized, 9.
- 2. Appointed, 30.
- 3. Motion for convening, 67.
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- 5. Mr. Black and Mr. Croll added, 107.
- 6. Authorized to extend scope of inquiry, 114.

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## PROVINCIAL LAND TAX ACT, THE:

Bill (No. 125) to amend, introduced, 154. Second reading, 159. House in Committee, 216. Third reading, 217. Royal Assent, 222. (1 George VI, c. 63.)

### PROVINCIAL PARKS ACT, THE:

Bill (No. 107) to amend, introduced, 85. Second reading, 130. House in Committee, 151. Third reading, 157. Royal Assent, 221. (1 George VI, c. 64.)

### PSYCHIATRIC HOSPITAL AT TORONTO:

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- 1. Referred to in Speech from Throne, 5.
- 2. Presented to the House and referred to Committee on Public Accounts, 10. (Sessional Paper No. 1.)

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- 1. Authorized, 9.
- 2. Appointed, 31.
- 3. Motion for examination of Mr. Walters on certain matters defeated on Division, 107.
- 4. Granted permission to sit concurrently with the House, 121.
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## PUBLIC COMMERCIAL VEHICLE LICENSES:

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## PUBLIC HEALTH ACT, THE:

Bill (No. 47) to amend, introduced, 41. Second reading and referred to Committee on Municipal Law, 48. Reported, 121. House in Committee, 152. Third reading, 158. Royal Assent, 219. (1 George VI, c. 65.)

### PUBLIC SCHOOLS:

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## PUBLIC SERVICE, THE ONTARIO:

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- 3. As to engagement of R. S. Robertson, K.C., by the Hydro-Electric Power Commission or the Government, 87.
- 4. As to amount of insurance carried on the Stinson Wahnapitae Hydro-Electric Power plant destroyed by fire, 88.
- 5. As to Hydro-Electric Power Commission reserves for obsolescence and contingencies, 122.

6. As to expenditure by the Hydro-Electric Power Commission with experiments in production of hydrogen and oxygen through use of electric power, 102.

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- 7. As to total peak power sold on the Niagara System for January, 1935; November, 1935; December, 1935; November, 1936; December, 1936, 88.
- 8. As to whether officials suspended by the Hydro-Electric Power Commission and employed on a day to day basis have been made permanent, 102.
- 9. As to present H.P. being developed at Chats Falls, 103.
- 10. As to the total H.P. exported or sold in the United States by the Hydro-Electric Power Commission during 1935 and 1936, 103.
- 11. As to total H.P. used by the Hydro-Electric Power Commission during 1936, 135.
- 12. As to what load did the Toronto Hydro-Electric System cut off its maximum peak load during December, 1936, 104.
- 13. As to 20-minute peak demand for electric energy in 60-cycle power for Eastern Ontario system for December, 1935, and each month for calendar year of 1936, 88.
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- 15. As to additional bed accommodation for patients added at Ontario Hospitals during year ending March 31st, 1936, 139.
- 16. As to transfer of all employees other than medical officers from Ontario Hospitals between April 2nd, 1936, and present date, 51.
- 17. As to transfer of Medical Superintendents from Ontario Hospitals from April 1st, 1936, to date, 51.
- 18. As to number of Mental Health Clinics in operation in conjunction with Ontario Hospitals, 52.
- 19. As to hospitalization through the offices of the Mental Health Clinics of persons who were certified as mentally ill and how many received treatment at the hands of Mental Health Clinics, 53.
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- 21. As to number of qualified physicians on staff of Health Section of the Department of Health on July 5th, 1934, and on January 15th, 1937, 53.
- 22. As to number of physicians on inside and outside staff of Health Section of the Department of Health on July 5th, 1934, and on January 15th, 1937, 76.
- 23. As to identity of the Stewards or acting Stewards at the Ontario Hospitals at Hamilton, Penetanguishene and Kingston, giving date of appointment, etc., 77.
- 24. As to termination of services of Mr. G. Holton, Steward at the Ontario Hospital at Hamilton, 89.
- 25. As to number of patients on January 1st, 1937—(a) in residence in Ontario Hospitals; (b) on probation in Ontario Hospitals; (c) in boarding out homes under Ontario Hospital supervision and number not admitted to whom admission had been awarded, 90.
- 26. As to number of physicians, senior, assistant physicians and internes were employed on January 1st, 1937, at the Psychiatric Hospital, Toronto, with or without salary, 54.
- 27. As to convictions executed in each district of the Province under Game and Fisheries Department for infractions of Game Laws since March 1st, 1936, 77.
- 28. As to number of members of the Inside and Outside Services dismissed or requested or instructed to resign from the Civil Service from July 10th, 1934. Answer refused.
- 29. As to what new developments are under contemplation by the Ontario Hydro-Electric Power Commission, 105.
- 30. As to the total sales in the Liquor Control Board Store at Morrisburg for calendar year 1936, 54.
- 31. As to whether the Hydro-Electric Power Commission intends building a new transmission line to carry 60-cycle energy from Chats Falls station to Eastern Ontario system, 105.
- 32. As to the total amount of Treasury Bills now outstanding and when issued, 114.
- 33. As to the amounts received by the Province in 1932, 1933, 1934, 1935 and 1936 from Gasoline Tax and Motor Vehicle Licenses, 115.
- 34. As to estimate of cost of power on the Madawaska, 105.

- 35. As to the gross capital indebtedness (exclusive of Treasury Bills) at the time the present government took office. Return ordered, 208.
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- 37. As to amount paid during year ending March 31st, 1936, by the Hydro-Electric Power Commission for electric lamps, 90.
- 38. As to whether the Liquor Control Board requires maintenance of separate beverage rooms in Standard Hotels for men and women, 90.
- 39. As to number of licenses granted by the Liquor Control Board for sale of native wines are in existence at date, 91.
- 40. As to number of beverage licenses issued to date (a) Hotels; (b) Social Clubs: (c) Soldier and Labour Clubs; (d) Military Messes; (e) Railways; (f) other organizations, 93.
- 41. As to number and location of Municipalities in which the Canada Temperance Act is in force and number of licenses to sell beer and wine in those Municipalities, 93.
- 42. As to number of plebiscites taken since April 12th, 1935, on question of establishing or closing beverage rooms, 77.
- 43. As to total sales of beer and wine sold through hotels and clubs from March 1st, 1935, to date, giving gallonage and wholesale price, 119.
- 44. As to quality and wholesale value of beer, etc., sold from breweries and brewery warehouses to holders of authority under the Liquor Control Board for calendar year 1936, 94.
- 45. How many Liquor Commission employees throughout the Province have been dismissed or requested to resign from March 18th, 1935, to date, 119.
- 46. As to amounts paid to E. G. Odette, Liquor Control Commissioner, by way of travelling expenses for Fiscal years ending October 31st, 1934, March 31st, 1935, March 31st, 1936, and March 31st, 1937, 115.
- 47. As to whether a report has been made by the Commissioner who investigated the escape from the Criminal Insane Building at Penetanguishene, 108.
- 48. As to whether any instructions have been issued by the Attorney-General or any official of the Attorney-General's Department or any suggestions

made to any Magistrate or Crown Attorney in connection with prosecutions and procedure *re* members of religious orders failing or refusing to pay Poll Tax, 78.

- 49. As to amount for which the Ontario Hydro-Electric Power Commission entered action against Rt. Hon. Arthur Meighen, C. Alfred Maguire, F. A. Gaby and I. B. Lucas, 94.
- 50. As to maximum number of patients at the Ontario Hospital, Hamilton who, during calendar year, 1936, have been obliged to sleep on mattresses placed on floors because of lack of beds, lack of space for beds or for other causes, 94.
- 51. As to amount expended in drilling a well for domestic water supply at the Industrial Farm, Burwash, 164.
- 52. As to work required to be done to complete the revision of the heating system at the Ontario Hospital, Kingston, 135.
- 53. As to number of Mothers' Allowance Pensions and Old Age Pensions reduced in 1936, 78.
- 54. As to whether there are in Ontario any combined rural areas set up as units for public health administration with staff, employed on a full time basis, 95.
- 55. As to number of private Detectives employed by the Hospitals Branch of the Department of Health since July, 1934, 105.
- 56. As to amount of collections from estates of deceased Old Age Pensioners since July, 1934, 79.
- 57. As to number of legally constituted meetings held by the Ontario Milk Control Board since July, 1934, 79.
- 58. As to what work is being done by the Department of Highways on the Kingston Road between Toronto and Whitby, 116.
- 50. As to amount spent for motor car rentals by each Department of the Government from March 1st, 1936, to date. Lapsed.
- 60. As to what industries have been brought within the scope of the Industrial Standards Act since March 2nd, 1936, 109.
- 61. As to the cost of the new boiler house and heating plant at the Ontario Hospital at Brockville, 161.
- 62. As to what official under the direction of the Minister of Lands and Forests, is in charge of the timber sales of the Province, 79.

- 63. As to contracts let by the Department of Highways since July 11th, 1934, to the firm of Cope and Sons, of Hamilton, 116.
- 64. As to amount collected in gasoline tax for the 12 months ending March 31st, 1936, 165.
- 65. As to what applications for Public Commercial Vehicle Licenses have been made since November 1st, 1934, for service on the Kenora-Fort Frances Highway, 122.
- 66. As to whether the Department has refused to purchase or to grant authority for the purchase of any farm machinery or other machinery for use at the Ontario Agricultural College at Guelph since July 11th, 1934, 79.
- 67. As to number of (a) Tractors; (b) Power Graders; (c) Horse-drawn Graders; (d) Paving Machines; (e) other pieces of road machinery have been purchased by the Department of Highways or Northern Development for use in territory formerly in charge of Northern Development Department. Return Ordered, 149.
- 68. As to truth of the press report re Mr. R. J. Moore representing Department of Municipal Affairs ordering Municipal Council of Town of Hawkesbury to pass a by-law, etc., 80.
- 69. As to refunds in 1936 to municipalities by the Liquor Control Board in connection with beer and wine sold under authorities granted by the Liquor Control Board, 117.
- 70. As to number of persons employed at the present time in the inside and outside service of the Ontario Public Service, excluding Boards and Commission. Answer refused.
- 71. As to number of persons employed by the Ontario Workmen's Compensation Board at the present time. Answer refused.
- 72. As to whether the Government has taken any steps to complete construction of public works commenced by the former administration and closed down by the present administration on the following:—New Hospital Building, Smith's Falls; Patients' Building, Ontario Hospital, London; Nurses' Residence, Ontario Hospital, Woodstock, etc., 208.
- 73. As to number of prosecutions under The Minimum Wage Act from March 1st, 1936, until February 28th, 1936, 95.
- 74. As to the cost to the Province of Ontario for relief administration for the years (a) 1933; (b) 1935, 140.

- 75. As to expenditure for relief in Ontario from all Government sources— Dominion, Provincial, Municipal, for the calendar year 1935, 140.
- 76. As to the location of the former fire ranging launch Wasp, 111.
- 77. As to the truth of the press report of January 15th, 1936, re relief grants to City of Brantford amounting to \$46,993.00 over those of 1935, 80.
- 78. As to what municipalities supervised or otherwise had relief staffs set up who were paid from the Provincial Treasury since July 15th, 1934, 141.
- 79. As to number of persons registered for relief in Ontario in (a) February, 1936; (b) March, 1936; (c) April, 1936, 141.
- 80. As to what work was being done by the Department of Highways in the Riding of East Hastings during the months of August, September, October, November and December, 1936, 181.
- 81. As to what purchases of coal, giving dealer's name and station, whether Canadian or American coal, were made by Department of Public Works from May 1st, 1935, to April 30th, 1936. Return ordered, 125.
- 82. As to purchases of meat made for the Ontario School for the Deaf, Belleville, from January 1st, 1935, to date, 111.
- 83. As to whether Mr. L. S. Hagerman was suspended from his position in the Ontario Public Service as Supervisor of Purchasing for the Unemployment Relief Branch, 80.
- 84. As to identity of the Deputy Minister of Municipal Affairs, 81.
- 85. As to when the policy of setting maximum for relief grants in certain municipalities was fixed, 111.
- 86. As to contributions made by the Dominion Government to the Province of Ontario for relief purposes for the calendar years, 1935 and 1936, 142.
- 87. As to number of motor cars purchased by the present government since taking office. Return ordered, 149.
- 88. As to basis of remuneration on which scalers are now employed by the Department of Lands and Forests, 112.

- 89. As to number of engineers, assistant engineers, firemen, tinsmiths, plumbers, electricians, steamfitters, carpenters, painters, bricklayers and artisans of other classes are employed in the Parliament Buildings, East Block, etc., 123.
- 90. As to gross expenditure on all types of Highways by the Department of Northern Development since March 1st, 1936, until the Department was abolished and since the abolition, by the Department of Highways in territory formerly served by Northern Development Department, 166.
- 91. As to number of flying hours in governmental owned planes by each Minister of the present government from April 17th, 1935, to date, 209.
- 92. As to identity of the Deputy Minister of Education, 106.
- 93. As to what amounts and kinds of liquors were lost to the Liquor Control Board of Ontario by reason of breakages, in storage depots and liquor stores during the fiscal years ending October 31st, 1934, March 31st, 1935, and March 31st, 1936, 117.
- 94. As to number of Orders-in-Council passed by the Government from March 18th, 1935, to date, 81.
- 95. As to what Royal Commissions have been appointed by the Government since March 1st, 1935, 142.
- 96. As to amount spent for snow-plowing by the Department of Northern Development from August, 1934, until the abolition of the Department, 123.
- 97. As to gross expenditure by Districts of Northern Development Department and Department of Lands and Forests, 209.
- 98. As to length of the Highway connecting North Bay and Sault Ste. Marie; also, expenditure by Department of Northern Development on this highway for fiscal year 1934, five months period March 31st, 1935, and twelve months ending March 31st, 1936, 124.
- 99. As to average salary being paid on January 31st, 1937, to (a) men, (b) women employed in the Civil Service of Ontario, 162.
- 100. As to whether Dr. Joseph Harding Heaslip was sent to England or elsewhere to make a study of prison conditions and particularly the workings of the Borstal system, 167.
- 101. As to the identity of the members of the Board of Parole, 167.

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- 102. As to qualifications required of guards at the Ontario Reformatory, Guelph, and at the Industrial Farm, Burwash, 168.
- 103. As to the identity of the physician at the Ontario Reformatory, Guelph, 170.
- 104. As to whether it is a parole condition with respect to Reformatory and Industrial Farm inmates that employment must be found before parole is granted and inmate released, 171.
- 105. As to how many inmates of the Ontario Reformatory have been punished by use of the strap since January 1st, 1935, 171.
- 106. As to the closing date for the receipt of revenue for the credit of the fiscal year ending March 31st, 1936, 143.
- 107. As to sale of bonds by the present Government since February 26th, 1936, 143.
- 108. As to purchases of boiler compound made for each of the Ontario Hospitals since July 11th, 1934, 182.
- 109. As to how many pairs of shoes were produced at the factory at the Ontario Hospital in each of the fiscal years ending October 31st, 1932, 1933, 1934, March 31st, 1935, and 1936, 183.
- 110. As to who received the contracts for the supplying of attendants' uniforms at each of the Ontario Hospitals during fiscal year ending March 31st, 1936, 184.
- 111. As to positions held by Mr. Chester S. Walters in the public service, 210.
- 112. As to what Treasury Board orders and Special Warrants have been issued since the 1st day of April, 1935. Return ordered, 134. Returned, 190. (Sessional Paper No. 55.)
- 113. As to number of coroners dismissed since the present Government took office, 135.
- 114. As to the identity of the Crown Attorney at Brantford and what territory comes within his jurisdiction, 144.
- 115. As to number of employees in the Department of Provincial Auditor on (a) July 11, 1934, and (b) on January 31st, 1937, 118.
- 116. As to what amount in Succession Duty accounts had been determined but was standing uncollected at January 31st, 1937. Return

117. As to whether the Superintendent who was in charge at the Guelph Reformatory at the time of riots of January 17th, 1937, is still in office, 172.

- 118. As to what dealers supplied coal to the Andrew Mercer Reformatory for Women, the Ontario Brick and Tile Plant at Mimico and the Ontario Reformatory at Guelph, 173.
- 119. As to whether any auditors have been added to the staff of the Workmen's Compensation Board since April 1st, 1935, 135.
- 120. As to how many persons are wards of the Soldiers' Aid Commission to date, 112.
- 121. As to returned soldiers who have been again placed in the Ontario Public Service since the Hunter Report was tabled in the Legislature at the 1935 Session, 185.
- 122. As to whether any steps have been taken to increase Ontario Hospital accommodation at the Ontario Hospitals at New Toronto and London. Return ordered, 208.
- 123. As to number of persons in receipt of Mothers' Allowances in Ontario and total amount paid in (a) July, 1936, and January, 1937, 118.
- 124. As to whether Dr. W. G. Thompson is still Director of Dental Services, 119.
- 125. As to what travelling expenses have been drawn by each member of the Cabinet since March 1st, 1936, to date. Return ordered, 163.
- 126. As to number of persons now employed on Relief Works, 144.
- 127. As to what solicitors have been appointed to the Inside Service since this administration took office, 124.
- 128. As to the total sale in the Liquor Control Store at Napanee for the calendar year 1936, 120.
- 129. As to number of public officials appointed by the Government but whose salaries are paid by the City of Toronto have received increases since July 11th, 1934, 173.
- 130. As to number of persons in Ontario in receipt of Old Age Pensions on January 31st, 1937, 118.
- 131. As to whether there are any former residents of the Province of Alberta employed by the Ontario Government, 162.

- 132. As to whether the Civil Service Commissioner has with respect to all appointments to the Public Service since July 1st, 1934, issued his certificate as required by The Ontario Public Service Act, 163.
- 133. As to number of persons appointed to positions in the Ontario Civil Service since the present Government took office, 163.
- 134. As to amount of Succession Duty free bonds bought in by the Government since August 31st, 1934, 145.
- 135. As to what amount of Succession Duty was collected in the fiscal years ending October 31st, 1934, March 31st, 1935 and March 31st, 1936. Return ordered, 208.
- 136. As to the amount of indebtedness of the Government on January 31st, 1937, by way of (a) Treasury Notes and (b) Bank Overdrafts, 118.
- 137. As to the identity of the members of the Ontario Milk Control Board, 210.
- 138. As to how many Prosecutors at assizes or other courts of the Province have been appointed since April 1st, 1936, 211.
- 139. As to number of persons now drawing allowances from the Ontario Public Service Superannuation Fund, 124.
- 140. As to number of persons employed in the Civil Service of Ontario as of March 1st, 1937, (a) Permanent; (b) Temporary; excluding outside Boards and Commissions and the Liquor Control Board, 120.
- 141. As to the amount spent by the Highways Department on Provincial Highways in Lambton County in the year 1936, 185.
- 142. As to number of settlements other than those reported in reply to Question No. 44 of the 1935 Session, between the Province of Ontario and holders of Timber Licenses who on July 11th, 1934, were in arrears in timber dues, 212.
- 143. As to the estimated forest area burned over in Ontario in the summer of 1936 and the estimated quantities and value of each type of timber destroyed, 145.
- 144. As to how many licenses have been granted by the Government since March 20th, 1936, for the export of pulpwood cut from Crown Lands, 146.
- 145. As to the year in which the present Public School at Codrington, School Section No. 15, Brighton Township, was built, 214.

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- 146. As to amount of insurance placed with Lloyd's of London by all Government departments and the Hydro-Electric Power Commission of Ontario, 147.
- 147. As to whether the car that George Tredaway who appears as a chauffeur on page F-10 Public Accounts, 1936, was driving on February 2nd, 1937, with Hon. Dr. Simpson and Hon. Dr. Faulkner as passengers, belonged to the Ontario Government, 147.
- 148. As to whether an undertaking was given to any person, persons or corporation by a representative of the unemployment relief branch to purchase some 12,000 tons of fuel, 148.
- 149. As to the number of seasonal overseers employed by the Department of Game and Fisheries during the calendar year 1936, 174.
- 150. As to the estimated cost of the new highway connecting Niagara Falls and Hamilton and the estimated date of completion, 186.
- 151. As to the amount spent in repairs, alterations, etc., in the Ontario Hospitals in the fiscal years ending October 31st, 1933, and March 31st, 1936, excluding expenditures on the Ontario Hospital, Fort William, 148.
- 152. As to what power plants have been purchased by the Hydro-Electric Power Commission since July, 1934, 214.
- 153. As to names of Ministers and Members of the Legislature using Government-owned aeroplanes in 1931 and 1934, 214.

# RADIUM ACT, THE:

Bill (No. 65) to repeal, introduced, 56. Second reading, 67. House in Committee, 75. Third reading, 83. Royal Assent, 220. (1 George VI, c. 66.)

## RAILWAYS, COMMITTEE ON:

- 1. Authorized, 9.
- 2. Appointed, 31.

## REGISTRAR-GENERAL:

### REGISTRAR, THE PROVINCIAL:

See Secretary.

### REGISTRY ACT, THE:

Bill (No. 60) to amend, introduced, 51. Second reading, 57. House in Committee, 59. Third reading, 63. Royal Assent, 220. (1 George VI, c. 67.)

### RELIEF:

- 1. Question (No. 75) as to total expenditure on, for year 1935, and amounts contributed by each authority, 140.
- 2. Question (No. 77) as to increased grant to City of Brantford in 1936, 80.
- 3. Question (No. 78) as to municipalities in which relief staffs were paid by the Province, 141.
- 4. Question (No. 79) as to number registered for relief in February, 1936, March, 1936 and April, 1936, 141.
- 5. Question (No. 85) as to policy of establishing maximum grants in certain municipalities and reduction in grants to City of Toronto, 111.
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- 2. Showing: 1. Copies of all correspondence between Hon. Mr. Croll and any person in the United States relating to Provincial Income Tax payments or violations, 97. Returned, 113. (Sessional Paper No. 50.)
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## SARNIA, TOWNSHIP OF:

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No.	2	Estimates of certain sums required for the service of the Province for the year ending March 31st, 1938. Presented to the Legislature, March 9th, 1937. <i>Printed</i> .
No.	3	Report of the Minister of Lands and Forests of the Province of Ontario for the fiscal year ending March 31st, 1936. Presented to the Legislature, March 16th, 1937. <i>Printed</i> .
No.	4	Report of the Department of Mines, Ontario. Presented to the Legislature, March 24th, 1937. <i>Printed</i> .
No.	5	Report of the Inspector of Legal Offices for year ending December 31st, 1936. Presented to the Legislature, March 25th, 1937. Printed.
No.	6	Report of the Superintendent of Insurance for year ending December 31st, 1936. <i>Printed</i> .
No.	7	Report of the Registrar of Loan Corporations for the Province of Ontario. Presented to the Legislature, March 25th, 1937 Printed.
No.	8	Report of the Department of Public Works from April, 1935, to March 31st, 1936. Presented to the Legislature, February 25th, 1937 Printed.
No.	9	Report of the Department of Game and Fisheries, 1935-36, with which is included the Report for the five months period ending March 31st, 1935. Presented to the Legislature, March 17th, 1937 Printed.
No.	10	Report of the Department of Labour, including the Annual Report of the Minimum Wage Board, 1936. Presented to the Legislature March 17th, 1937. <i>Printed</i> .
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No. 24 Report of the Ontario Municipal Board for year ending December 31st, 1936. Presented to the Legislature, March 25th, 1937. Printed.

No. 25 Return from the Records of the By-elections to the Legislative Assembly held on the 25th day of February and the 4th day of March, 1935, in the Electoral District of Nipissing; and on the 2nd and 9th days of December, 1936, in the Electoral District of Hastings East. Presented to the Legislature, January 20th, 1937. Printed.

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  - No. 35 Audit Report of the Ontario Athletic Commission from November 1st, 1934, to March 31st, 1935; also, Audit Report of the Ontario Athletic Commission for the fiscal year ending October 31st, 1934; also, Audit Report of the Ontario Athletic Commission for the period, April 1st, 1935, to March 31st, 1936. Presented to the

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- No. 36 Annual Report of the Public Service Superannuation Board, Ontario, for fiscal year ending March 31st, 1936. Presented to the Legislature, February 25th, 1937. Not Printed.
- No. 37 Annual Report of the Civil Service Commissioner of Ontario for the year ending March 31st, 1936. Presented to the Legislature, February 25th, 1937. Not Printed.
- No. 38 Report of the Ontario Historical Society for 1935-1936. Presented to the Legislature, February 25th, 1937.
- No. 39 Return to an Order of the House dated April 6th, 1936, that there be laid before the House a Return showing: 1. What was the total cost of operating the Mental Health Clinics of the Province for

the twelve months ended, March 31st, 1935, as to the following items; (a) Salaries of physicians, social service workers, psychologists, psychometrists, clerks, stenographers, and all other employees; (b) Cost of automobiles in operation thereof, including purchase of gasoline, oil, repairs and general maintenance; (c) Travelling expenses of employees mentioned in Section (a) herein. Mr. Kidd. Presented to the Legislature, February 25th, 1937. Not Printed.

- No. 40 Return to an Order of the House, dated March 19th, 1936, that there be laid before the House a Return showing: 1. The names of all Civil Servants who, since July 15th, 1934, have received an increase in salary, perquisites, bonuses or grants; stating previous salary, and amount of increase in each case. Mr. Challies. Presented to the Legislature, February 25th, 1937. Not Printed.
- No. 41 Return to an Order of the House, dated April 6th, 1936, that there be laid before the House a Return showing: 1. To what Institutions, Departments or branches of the Government, giving the total amount in each case, did the following sell goods or services, for the periods ending; (a) March 31st, 1935; (b) March 31st, 1936; (1) M. Godfrey & Co.; (2) Dry Goods Specialty Co.; (3) Campbell Heating Company; (4) Good Humour Food Products Co. Mr. Nesbitt. Presented to the Legislature, February 25th, 1937. Not Printed.
- No. 42 Return to an Order of the House, dated April 3rd, 1936, that there be laid before the House a Return showing; What legal advisers or assistance, other than special Crown Prosecutors, has been engaged by this Government, or any of its boards or commissions since July 11th, 1934, giving in each case the names, duties, salary per diem, duration of engagement, and the total amount paid to date to each person or persons and specifying if payment for services completed in each case. Mr. Ellis. Presented to the Legislature, February 25th, 1937. Not Printed.
- No. 43 Return to an Order of the House, dated the 19th day of March, 1936, that there be laid before the House a Return showing; (1) The expenditures and revenues on ordinary and capital account for the months of February, 1935, to February, 1936. Mr. Price. Presented to the Legislature, February 25th, 1936. Not Printed.
- No. 44 Return to an Order of the House, dated April 6th, 1936, that there be laid before the House a Return showing; 1. How many incorporated companies are on the records of the Corporations Tax Branch of the Ontario Treasury Department. 2. How many of these companies were in arrears of taxes under The Ontario Corporations Tax Act, as of January 1st, 1936. 3. What is the total amount of these arrears. 4. How many persons are employed in the Corporations Tax Branch of the Treasury Department. 5. What are the names, positions, salaries of each employee in this branch in the Ontario Public Service in connection with the administration

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of The Corporations Tax Act, as of July 11th, 1934. Mr. Price. Presented to the Legislature, February 26th, 1936. Not Printed.

- No. 45 Report of the Ontario Research Foundation for the year ending December 31st, 1936. Presented to the Legislature, March 1st, 1937. Printed.
- No. 46 Return to an Order of the House, dated April 1st. 1936, that there be laid before this House a Return showing; All persons who have been dismissed, resigned or requested to resign, from positions under any Board of Commission under the jurisdiction of this Government other than the Hydro-Electric Power Commission and the Ontario Liquor Control Board, since July 11th, 1934, and giving in each case the Board or Commission, name, position, salary and war service, if any. Mr. Henry. Presented to the Legislature, March 4th, 1937. Not Printed.
- No. 47 Return to an Order of the House, dated April 1st, 1936, That there be laid before this House a Return showing; All persons who have been appointed to positions under any Board or Commission, under the jurisdiction of this Government other than the Hydro-Electric Power Commission, and the Ontario Liquor Control Board, since July 11th, 1934, and giving in each case the Board or Commission, name, position, salary, and war service, if any. Mr. Henry. Presented to the Legislature, March 4th, 1937. Not Printed.
- No. 48 Comparative statement of Legislative grants apportioned to the Rural,
  Public and Separate Schools in the Counties and Districts for the
  year 1935-36. Presented to the Legislature, March 5th, 1937.
  Not Printed.
- No. 49 Interim statements of the Finances of the Province for the year ending March 31st, 1937. Presented to the Legislature, March 10th, 1937. Not Printed.
- No. 50 Return to an Order of this House, dated March 15th, 1937, That there be laid before this House a Return showing: 1. Copies of all correspondence between Hon. Mr. Croll and any person in the United States relating to Provincial Income Tax payments and violations. Mr. Ellis. Presented to the Legislature, March 17th, 1937. Not Printed.
- No. 51 Report of James Ernest Madden, Commissioner under The Public Inquiries Act, to inquire into, investigate, and report upon the recent disturbances of and amongst prisoners at the Ontario Reformatory at Guelph. Presented to the Legislature, March 18th, 1937.
- No. 52 Return to an Order of this House, dated April 9th, 1936, that there be laid before this House a Return showing: 1. How many employees have been engaged by the Hydro-Electric Power Commission

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	since April 15th, 1935. 2. What are the names, position, salary and address in each case. Mr. Ellis. Presented to the Legislature, March 23rd, 1937. <i>Not Printed</i> .
No. 53	Report of the Hospital Commission on the Ontario Government Hospitals. Presented to the Legislature, March 23rd, 1937. Not Printed.
No. 54	Report on Department of Northern Development on operations under The Development Act for the fiscal year ending March 31st, 1936. Presented to the Legislature, March 25th, 1937. <i>Printed</i> .
No. 55	Return to an Order of the House, dated March 22nd, 1937. That there be laid before this House a Return showing: 1. What Treasury Board Orders have been issued since the 1st day of April, 1935.  2. What Special Warrants have been issued since the 1st day of April, 1935, and what sums have been expended under each of these Special Warrants. Mr. Ellis. Presented to the Legislature, March 25th, 1937. Not Printed.
No. 56	Papers in connection with contracts, etc., of Dionne Quintuplets laid on the Table of the House by the Honourable the Minister of Public Welfare, Municipal Affairs and Labour. Presented to the Legislature, March 25th, 1937. Not Printed.
No. 57	Report of the Department of Municipal Affairs, Ontario. Presented to the Legislature, March 25th, 1937. Printed.
No. 58	Copies of Orders-in-Council pertaining to the Department of Education.  Presented to the Legislature, March 25th, 1937. Not Printed.
No. 50	Report of the Milk Control Board of Ontario for year ending December 31st, 1936. Presented to the Legislature, March 25th, 1937.

31st, 1936. Presented to the Legislature, March 25th, 1937.

Not Printed.

## RETURNS ORDERED BUT NOT BROUGHT DOWN

- 1. Showing: All letters, memoranda, contracts, statements and data of whatsoever nature between any Department of the Government and the
  Ontario Reformatory at Guelph and also between any Department of
  the Government, the Floyd Transport Company and any other Transport Company having any bearing upon the transport of products between
  the Ontario Reformatory at Guelph and any other Public Institution or
  Institutions.
- 2. Showing: The amount of income tax remitted by the Government to each municipality in Ontario.
- 3. Showing: (1.) How many motor cars have been purchased by the present government since taking office. (2.) From whom was each car purchased. (3.) What was the make of each car purchased. (4.) What was the delivered cost of each car. (5.) How many motor cars are now owned by the Government, how many cars are assigned to the various departments and how many are for general governmental use.
- 4. Showing: (1.) How many (a) Tractors; (b) Power Graders; (c) Horse-drawn Graders; (d) Paving Machines; (e) Other pieces of road machinery have been purchased by the Northern Development Department or by the Department of Highways for use in the territory in which road building and repair operations were formerly in charge of the Northern Development Department, for the fiscal years ending March 31st, 1935, March 31st, 1936, and for the ten months ending January 31st, 1937, including the type and cost of each machine and from whom purchased. (2.) How many pieces of Road Machinery are now in use on the Ferguson Highway or are stored in depots along said highway. (3.) How many (a) picks and (b) shovels form part of the Ferguson Highway equipment and how many are stored at the respective depots. (4.) What was the maximum number of workmen and labourers including foremen, employed on the Ferguson Highway during the fiscal year ending March 31st, 1936.
- 5. Showing: (1.) Copies of all regulations or Orders-in-Council made to date under The Forest Regulations Act, 1936. (2.) Copies of any other Regulations or Orders-in-Council passed since January 1st, 1936, granting or cancelling any timber concessions or limits in the Province of Ontario.
- Showing: Copies of any agreements entered into by the Minister or the Department under The Forest Regulations Act, 1936, re timber concessions or limits.
- 7. Showing: (1.) What purchases of coal, giving dealer's name and station, whether Canadian or American coal, were made by the Department of Public Works, from May 1st, 1935, to April 30th, 1936, indicating (a) the institutions or buildings for which coal was purchased; (b) the kinds and quantities of coal supplied by each dealer to each institution or building; (c) the per ton price with respect to each kind of coal; (d) the total amount to each dealer with respect to coal supplied each institution or

- building. (2.) Was the coal purchased on a tender basis. (3.) Were tenders advertised for and if so, when and in what newspapers. (4.) Was every dealer who so desired allowed to tender.
- 8. Showing: (1.) What travelling expenses have been drawn by each member of the Cabinet since March 1st, 1936, to date. (2.) How many trips to Great Britain have been made by each member of the Cabinet since July 11th, 1934, at Government expense. (3.) Since July 11th, 1934, how many trips at Government expense outside of Canada have been made by each member of the Civil Service indicating (a) name of Civil Servant; (b) destination; (c) purpose of trip and (d) total cost of such trips with respect to each Civil Servant involved.
- 9. Showing: (1.) What amount in Succession Duty accounts have been determined but was standing uncollected at January 31st, 1937. (2.) What was the estimated amount of Succession Duties due the Province on January 31st, 1937. (3.) Have any false or fraudulent Succession Duty returns been located by the Government. (4.) If so, what steps have been taken by the Government to prosecute the persons responsible for the preparation and filing of such false or fraudulent returns.
- 10. Showing: What was the estimated gross capital indebtedness (exclusive of Treasury Bills) at the time the present Government took office.
- 11. Showing: (1.) Have any steps been taken to increase Ontario Hospital accommodation at the Ontario Hospitals at New Toronto and at London and if so, what steps have been taken. (2.) What is the rated horsepower of the boilers in the heating plant at the Ontario Hospital, New Toronto. (3.) Has any extra boiler capacity been added since the Hospital was enlarged from a capacity of about 600 patients to its present capacity of about 1,500 with also the addition of a laundry building and a nurses' home. (4.) When were the boilers last inspected and by whom. (5.) Have any recommendations been made to the present government as to improvements, additions or new construction with respect to the heating plant at the Ontario Hospital, New Toronto, and if so, by whom and what was the nature of the recommendation.
- 12. Showing: What amount of Succession Duty was collected in the fiscal years ending October 31st, 1934, March 31st, 1935, and March 31st, 1936, and indicating (a) the amount of Duty collected in each year; (b) the amount collected by way of penalties in each year and indicating the rate of penalty applying.

# **JOURNALS**

OF THE

# LEGISLATIVE ASSEMBLY

OF THE

# PROVINCE OF ONTARIO

TUESDAY, JANUARY 19TH, 1937

PROCLAMATION
H. A. BRUCE

CANADA

# PROVINCE OF ONTARIO

GEORGE THE SIXTH, by the Grace of God of Great Britain, Ireland and the British Dominions beyond the Seas KING, Defender of the Faith, Emperor of India.

To Our Faithful, the Members elected to serve in the Legislative Assembly of our Province of Ontario, and to every of you—Greeting.

### PROCLAMATION

ARTHUR W. ROEBUCK, Attorney General. WHEREAS it is expedient for certain causes and considerations to convene the Legislative Assembly of Our said Province, and, therefore, WE DO WILL that you and each of you and all others in this behalf interested, on Tuesday the nineteenth day of the month of January now next, at Our City of Toronto, personally be and appear for the Despatch of Business, to treat, act, do and conclude upon

those things which, in Our Legislature of the Province of Ontario, by the Common Council of Our said Province, may by the favour of God be ordained. HEREIN FAIL NOT.

IN TESTIMONY WHEREOF We have caused these Our Letters to be made Patent and the Great Seal of Our Province of Ontario to be hereunto affixed.

WITNESS: THE HONOURABLE HERBERT ALEXANDER BRUCE, a Colonel in Our Royal Army Medical Corps, Fellow of the Royal College of Surgeons of England, &c., LIEUTENANT GOVERNOR OF OUR PROVINCE OF ONTARIO.

At Our Government House, in Our City of Toronto, in Our County of York, in Our said Province, this fourth day of January, in the year of Our Lord one thousand nine hundred and thirty-seven and in the first year of Our Reign.

BY COMMAND.

C. F. BULMER, Clerk of the Crown in Chancery.

Tuesday, the Nineteenth day of January, 1937, being the first day of the Third Meeting of the Nineteenth Legislature of the Province of Ontario for the Despatch of Business pursuant to a Proclamation of The Honourable Herbert Alexander Bruce, Lieutenant-Governor of the Province.

3 O'CLOCK P.M.

And the House having met,

The Honourable the Lieutenant-Governor of the Province then entered the House and being seated on the Throne, was pleased to open the Session by the following gracious Speech:—

Mr. Speaker and Gentlemen of the Legislative Assembly:

It is my pleasure to welcome you to-day to the Third Session of the Nineteenth Legislature of this Province.

The people of Ontario were deeply concerned when His Majesty, King Edward VIII, announced his intention to abdicate. In retrospect, however, we find reason for pride in the signal evidence this afforded of the combined stability and flexibility of our democratic form of Government which permitted such a change to be made with so little disturbance.

You will be given an early opportunity to tender a message of loyal devotion and affection to His Gracious Majesty, King George VI, upon whose shoulders

now rest the heavy burdens of an Empire. We pray that Providence may guide and assist him through a prosperous, long, and happy reign. The Province will be represented in London at the Coronation ceremonies in May by the Prime Minister, and appropriate arrangements will be made for celebrations in Ontario.

I wish to express the deep regret of all here assembled that the Honourable the Prime Minister is prevented by ill health from attending the opening of this Legislature. We all hope that the change of climate ordered by his physicians will result in speedy recovery. Our best wishes go with him and we sincerely trust it will not be long before his health will be sufficiently improved for him to return and resume his place in this Chamber.

Before referring to matters of immediate interest to this Legislature and on behalf of all here assembled, I wish to express our felicitations and good wishes to Sir William Mulock on this his 93rd birthday. His retirement from the position of Chief Justice of Ontario marked the completion of fifty years of that devoted public service which has characterized a career unique in the annals of this Province. We congratulate his successor in that high office, the Honourable Mr. Newton Rowell who, a quarter of a century ago, sat in this chamber. To the member for Port Arthur also we offer our congratulations upon his appointment to the Cabinet.

We pay tribute to the memory of the member for East Hastings who passed away since last we met. Mr. Hill had been faithful in continuous service in the Legislature from the year 1923.

The past year has been noteworthy for a gradual but marked improvement in the economic conditions of the Province, reflected financially within the last few weeks in the sale of long term bond issues of Forty Million Dollars at outstandingly low rates.

While Unemployment Relief has continued as a major problem, the Government has striven earnestly to encourage re-employment, and there has been a steady reduction in the relief rolls as men have been reabsorbed into industry. In addition to direct employment projects, such as road building, the Forest Resources Regulation Act, passed last Session, is an example of this Government's activity in creating useful employment. Under the provisions of this Act, extensive idle timber areas have been reclaimed by the Province and operations started on many of them. The Government will continue in all ways possible its efforts to stimulate employment during the coming year.

The Department of Labour has been instrumental in increasing wage-levels in a number of important industries, while the Department of Municipal Affairs has continued to progress in placing distressed municipalities on a firmer financial footing. Further aid to these municipalities will be afforded by legislation relieving them entirely of any responsibility for Mothers' Allowances and Old Age Pensions.

Mining reached new peaks of production and employment in 1936, and furnished a striking example of the benefits of co-operation. The Dominion and Province combined in a substantial road expenditure in the new areas, and the Hydro Commission, furnishing cheap power from its northern properties,

enabled many new mines to reach production. Three direct benefits resulted: new wealth was produced, many men were taken off the relief rolls, and the Temiskaming and Northern Ontario Railway, handling increased freight, had substantially higher revenues. No better example could be given of well directed expenditures.

A steady improvement in the value of farm products has been of material benefit to Ontario's basic industry. In particular, collective bargaining for canning crops, and re-establishment of the sale of cheese upon the Ontario Cheese Boards have had their effect in strengthening prices. The outlook for livestock markets is very promising. The opening of a School of Agriculture at Ridgetown and increased attendance at Kemptville and Guelph show a growing interest in agricultural education. Arrangements have been made to co-ordinate the work of the Provincial and Federal Departments of Agriculture.

The Government's policy with respect to the Administration of Justice in the Magistrates' Courts and with respect to Judicial Offices has resulted in marked efficiency and in substantial economies as well as in a very satisfactory increase in revenue. The work of consolidating the Statutes is being done by the Attorney General's Department and by the Law Clerks under the supervision of the Legislative Counsel. The cost will be substantially less than that of previous revisions and it is hoped that publication will take place during the current year.

During the Session of 1935, the Legislature enacted that certain contracts between The Hydro-Electric Power Commission, and certain companies generating power in the Province of Quebec, were void and unenforceable. The Government is convinced of the justice of this measure and is determined that the will of the Legislature shall not be thwarted and the benefits lost to the power users of the Province. Accordingly, legislation will be introduced with a view to making effective the purpose of the Legislature as already expressed.

The Commission has continued its expansion of service to rural areas, with 810 miles of rural lines in 1936 constructed or under construction, and lowering the farm service charge from \$2.00 to \$1.00. Marked reductions in the costs of power have also been of material benefit to industry and power users generally in the Province.

Amalgamation of the Department of Northern Development with the Department of Highways during the past year will permit of more economical administration. A comprehensive programme of construction and reconstruction is being prepared for this year. The objects of this programme will be to modernize highways in the older and more densely travelled portions of the Province; to eliminate as rapidly as possible, dangerous level crossings; to meet the growing needs for settlers' roads and paved roads in the northern part of the Province; to co-operate with the Dominion Government in the construction of roads leading to mining regions which have hitherto been practically inaccessible and to co-operate to the fullest possible extent with all counties and townships in the continued improvement of their roads.

The activities of the Department of Education have been directed during the past year chiefly to the improvement of the instruction being provided in both elementary and secondary schools. Methods employed in the training of teachers have been modified, with a view to providing them with a wider experience in teaching before receiving certificates. Changes in the courses of study are contemplated, which may be expected to provide opportunities for the better adjustment of the subjects of study to the capabilities and interests of the students.

Figures indicate a fifteen per cent. increase in tourist traffic, with prospects for a continued increase this year, from which many classes of our people benefit immediately. The Game and Fisheries Department has done much to foster this lucrative traffic by restocking our lakes and streams and stimulating interest in the conservation of wild life. Another trout rearing station is approaching completion near North Bay, and other stations are being enlarged and improved. It is of interest to note that in 1936 more non-resident hunting and angling licenses were issued than in the peak year of 1929.

During the past year, the Department of Health has made a special effort to reduce the ravages of tuberculosis, and has provided support for the construction of sanatoria in northern and eastern Ontario. Plans for increased accommodation for mental patients are under review. The Department will sponsor legislation to curtail the use of codeine, phenobarbitol and other habit-forming drugs.

In addition to the legislation already mentioned, certain changes of an administrative nature will be made in the Corporations Tax Act and Succession Duty Act. The latter will also be amended so that contributions to charitable, educational and religious institutions shall be exempted when rates for duty are fixed. Amendments will also be made to the Companies Act, Game and Fisheries Act, Municipal Act, Mining Act, Beach Protection Act, Natural Gas Act, Motor Vehicles Act, and for various other purposes.

The Public Accounts for the fiscal year ending March 31st last have been issued, and the Estimates for the year immediately ahead will shortly be presented to you.

In conclusion, I trust that under the guidance of Divine Providence your labours will be fruitful and will enhance the public welfare.

The Honourable the Lieutenant-Governor was then pleased to retire.

Prayers.

Mr. Speaker then reported,

That, to prevent mistakes, he had obtained a copy of His Honour's Speech, which he read.

Mr. Speaker informed the House,

That he had received during the recess of the House, as provided by the Revised Statutes of Ontario, 1927, Chapter 12, Section 32 (1), notification of a vacancy which had occurred in the Membership of the House and had issued his Warrant to the Clerk of the Crown in Chancery for the issue of a Writ for the election of a Member to serve in the present Legislature for the following Electoral District:

The Electoral District of Hastings East.

To the Honourable N. O. Hipel,

Speaker of the Legislative Assembly of the Province of Ontario.

We, the undersigned, Mitchell F. Hepburn, Member for the said Legislative Assembly for the Electoral Division of Elgin, and Harold J. Kirby, Member for the said Legislative Assembly for the Electoral Division of Eglinton, do hereby notify you that a vacancy has occurred in the representation in the said Legislative Assembly for the Electoral Division of Hastings East, by reason of the death of James F. Hill, Member elect for the said Electoral Division of Hastings East.

And we, the said Mitchell F. Hepburn, and Harold J. Kirby, Members of the Assembly aforesaid, hereby require you to issue a new Writ for the Election of a Member to fill the said vacancy.

In witness whereof, we have hereunto set our hands and seals on this Nineteenth day of October, in the year of our Lord one thousand nine hundred and thirty-six.

Signed and sealed in the presence of

J. C. Bradley.

October 19th, 1936.

MITCHELL F. HEPBURN (Seal).

HAROLD J. KIRBY (Seal).

Mr. Speaker informed the House,

That the Clerk had received, from the Clerk of the Crown in Chancery, and laid upon the Table, the following certificate of the election held since the last Session of the House:—

Electoral District of Hastings East-Harold Edward Welsh.

#### PROVINCE OF ONTARIO

THIS IS TO CERTIFY that in virtue of a Writ of Election, dated the Twenty-second day of October, 1936, issued by The Honourable the Lieutenant-Governor, and addressed to Delbert Floyd Ashley, Esquire, Returning Officer for the Electoral District of Hastings East, for the election of a Member to represent the said Electoral District of Hastings East in the Legislative Assembly of this Province, in the room of James F. Hill, Esquire, who, since his election as representative of the said Electoral District of Hastings East, has departed this life, Harold Edward Welsh, Esquire, has been returned as duly elected, as appears by the Return of the said Writ of Election, dated the Twenty-eighth day of December, 1936, which is now lodged of record in my office.

C. F. BULMER, Clerk of the Crown in Chancery.

Toronto, January 7th, 1937.

Mr. Speaker informed the House that the Clerk had laid upon the table:

A Return from the Records of the By-elections to the Legislative Assembly held on the 25th day of February and the 4th day of March, 1935, in the Electoral District of Nipissing; and on the 2nd and 9th days of December, 1936, in the Electoral District of Hastings East, showing:

- 1. The number of votes polled for each candidate in each Electoral District in which there was a contest.
  - 2. The majority whereby each successful candidate was returned.
  - 3. The total number of votes polled.
  - 4. The number of votes remaining unpolled.
  - 5. The number of names on the polling lists.
  - 6. The number of ballot papers sent out to each polling place.
  - 7. The used ballot papers.
  - 8. The unused ballot papers.
  - 9. The rejected ballot papers.
  - 10. The cancelled ballot papers.
  - 11. The declined ballot papers.
  - 12. The ballot papers taken from polling places.
  - 13. Total number of printed ballots not distributed to D.R.O.'s.

- 14. Total number of ballot papers printed.
- 15. A general summary of votes cast in each Electoral District.

Harold Edward Welsh, Esquire, Member for the Electoral District of Hastings East, having taken the Oath and subscribed the Roll, took his seat.

On motion by Mr. Nixon (Brant), seconded by Mr. Henry,

Resolved, That an humble Address be presented to His Most Gracious Majesty, the King, conveying to him the congratulations of this House on his accession to the Throne, the said Address to be worded as follows:—

#### TO THE KING'S MOST EXCELLENT MAJESTY.

Most Gracious Sovereign:

We, Your Majesty's most loyal and devoted subjects, the Legislative Assembly of the Province of Ontario, in Parliament assembled, beg leave to approach Your Majesty for the purpose of expressing the feeling of deep satisfaction with which we welcome your accession to the Throne of Your Fathers. This Province joins with the rest of the Empire in extending to Your Majesty and to Your Gracious Consort, Queen Elizabeth, congratulations on assuming the high office to which you have been called. You mount the Throne at a time when world affairs are in a most troubled condition and the Empire faces difficulties which it will require sane and able leadership to solve. We feel assured that Your Majesty will ably follow in the path of duty so clearly marked by Your Gracious Father of blessed memory and that your occupancy of the Throne of our Great Empire will result in the same feelings of pride and joy amongst Your Loyal Subjects as marked their appreciation of his high services.

Permit us to assure You of the devotion and loyalty of the people of Ontario to Your Person and to the Crown and to express the fervent hope that Your Majesty's reign will continue for many useful and prosperous years.

On motion of Mr. Nixon (Brant), seconded by Mr. Henry,

Ordered, That the Clerk be authorized to have the Address suitably engrossed and forwarded to His Majesty through the proper channels.

On motion of Mr. Nixon (Brant), seconded by Mr. Roebuck,

Ordered, That the Speech of The Honourable the Lieutenant-Governor be taken into consideration on a day to be fixed by resolution of the House at a later date.

On motion of Mr. Nixon (Brant), seconded by Mr. Roebuck,

Ordered, That Select Standing Committees of this House, for the present Session, be appointed for the following purposes: 1. On Privileges and Elections; 2. On Railways; 3. On Miscellaneous Private Bills; 4. On Standing Orders; 5. On Public Accounts; 6. On Printing; 7. On Municipal Law; 8. On Legal Bills;

9. On Agriculture and Colonization; 10. Fish and Game; 11. On Labour.

Which said Committees shall severally be empowered to examine and enquire into all such matters and things as shall be referred to them by the House, and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

On motion by Mr. Nixon (Brant), seconded by Mr. Roebuck,

Ordered, That Rules No. 60 and No. 61 of this House be suspended for the present Session in this, that the dates set therein for receiving Petitions for Private Bills, presentation of Private Bills, receiving reports of Committees on Private Bills and depositing Private Bills with the Clerk, shall apply as from Monday, February 1st, next, as though that day were the day set for the official opening of the present Session of this Assembly, and notwithstanding the provisions of Section 3 of Rule No. 61 no penalties shall attach to any Private Bill as a result of the operation of this resolution.

Mr. Roebuck moved, seconded by Mr. McQuesten, for leave to introduce a Bill, intituled "An Act to amend The Power Commission Act."

Mr. Henry raised the objection that the two days' notice of the motion required by Rule 36 had not been given and that therefore the Bill could not be introduced.

Mr. Speaker pointed out that it had always been the right of the Government both in the Ontario Legislature and in the British House of Commons to introduce one Bill on the opening day of the Session before taking up the business placed before the House by the Crown. He therefore ruled that the motion was in order.

On an appeal by Mr. Henry, the Speaker's ruling was sustained on the following division:—

#### YEAS

Allen Anderson Armstrong Asmussen Averv Baker Ballantyne Bethune Blakelock Bowerman Bradley Bragg Brownridge Campbell Carr Clark Colter Cox Crawford Croll Croome Des Rosiers Dewan

Duncan Freeborn Gardhouse Glass Gordon Guthrie Habel Heenan Houck Hunter Kellv Kirby Lapierre Lawrence Leduc Marceau Marshall Miller Murray MacBride McOuesten McQuibban

Dickson

(Brant) Nixon (Temiskaming) Patterson Roberts Robertson Roebuck Rowlandson Sangster Schwenger Simpson Sinclair (Bruce) Smith Strachan Tanner Trottier

McVicar

Newman

Nixon

#### NAYS

Acres
Baird
Black
Challies
Craig

Heighington Henry Kidd Lancaster Macaulay Murphy Nesbitt Price Welsh—14.

Wigle-64.

Bill (No. 31), "An Act to amend The Power Commission Act," was therefore read a first time,

Ordered, That the Bill be read a second time to-morrow.

Mr. Nixon presented to the House, by command of The Honourable the Lieutenant-Governor:—

Public Accounts of the Province of Ontario for the twelve months ending March 31st, 1936. (Sessional Papers No. 1.)

Ordered, That the Public Accounts of the Province be referred to the Standing Committee on Public Accounts.

The House then adjourned at 4.20 p.m.

# WEDNESDAY, JANUARY 20TH, 1937

PRAYERS.

3 O'CLOCK P.M.

The Order of the Day for the second reading of Bill (No. 31), An Act to amend The Power Commission Act, having been read, and a Debate having arisen it was on the motion of Mr. Roebuck,

Ordered, That the Debate be adjourned.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

A Return from the Records of the By-elections to the Legislative Assembly held on the 25th day of February and the 4th day of March, 1935, in the Electoral District of Nipissing; and on the 2nd and 9th days of December, 1936, in the Electoral District of Hastings East. (Sessional Papers No. 25.)

The House then adjourned at 6.11 p.m.

# THURSDAY, JANUARY 21st, 1937

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were severally brought up and laid upon the

By Mr. Wigle, the Petition of the Municipal Corporation of the Town of Leamington.

By Mr. Marceau, the Petition of the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie; also, the Petition of the Sisters of St. Joseph of the Diocese of Sault Ste. Marie.

By Mr. Habel, the Petition of the Municipal Corporation of the Town of Kapuskasing.

By Mr. Guthrie, the Petition of the Municipal Corporation of the City of Sarnia; also, the Petition of the Municipal Corporation of the Township of Sarnia.

The following Bills were severally introduced and read the first time:-

Bill (No. 32), intituled "An Act to amend The Privy Council Appeals Act." Mr. McQuesten.

Ordered, That the Bill be read a second time to-morrow.

Bill (No. 33), intituled "An Act to declare the meaning of subsection 4 of section 6 of The Power Commission Act. Mr. McQuesten.

Ordered, That the Bill be read a second time to-morrow.

On motion by Mr. Nixon (Brant), seconded by Mr. Roebuck,

Ordered. That a Select Committee of nine Members be appointed to prepare and report with all convenient speed a list of the Members to compose the Select Standing Committees ordered by this House, to be composed as follows:—

Messrs. Nixon (Brant), Cox, Freeborn, Fulford, Kidd, Kirby, Macaulay, Oliver and Strachan.

The quorum of the said Committee to consist of three Members.

On motion by Mr. Nixon (Brant), seconded by Mr. Roebuck,

Ordered, That a Select Committee be appointed to act with Mr. Speaker in the control and management of the Library, to be composed as follows:—

Messrs. Bragg (Chairman), Armstrong, Baird, Belanger, Heighington, King, Lancaster, Lawrence, Leduc and Robertson.

On motion of Mr. Nixon (Brant), seconded by Mr. Roebuck,

Ordered, That a Select Committee be appointed to direct the expenditure

of any sum set apart by the Estimates for Art Purposes, to be composed as follows:—

Messrs. Fulford (Chairman), Heighington, Hunter, Kidd, Newman, Nixon (Brant), Oliver, Patterson and Tanner.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of Bill (No. 31), An Act to amend The Power Commission Act, having been read,

The Debate was continued and after some time Mr. Ellis arose to a point of order to the effect that the Bill under discussion was out of order because of the fact that it proposed to deal with a matter which was presently before the Court. He instanced the procedure in the House of Commons of Great Britain, which according to May's Parliamentary Practice did not allow any matter to be brought up in debate which was pending decision in a lower Court. He also quoted a rule of the House of Commons of Canada to the same effect.

Mr. Speaker ruled that the authorities quoted did not apply in the case under consideration. He ruled that the Bill was properly before the House and promised to follow his verbal decision by bringing in at a later date a written ruling to be incorporated in the Journals of the House.

Mr. Ellis appealed against the Speaker's ruling which was sustained on the following Division:—

#### YEAS

Allen
Anderson
Armstrong
Avery
Baker
Ballantyne
Bethune
Bowerman
Bragg
Brownridge
Campbell
Carr
Clark
Colter
Cox
Crawford
Croll
Croome
Des Rosiers
Dewan
Dickson

Duncan Freeborn Fulford Gardhouse Glass Gordon Habel Heenan Houck Hunter Kelly King Lapierre Lawrence Leduc Marceau Marshall Murray McQuesten. McVicar Newman

Nixon (Brant)

Nixon (Temiskaming)

Oliver Patterson Robertson Roebuck Rowlandson Sangster Schwenger Simpson Sinclair (Bruce)

Smith
Strachan
Tanner
Trottier
Wigle—58.

#### NAVS

Baird Black Challies Craig	Ellis Heighington Henry Kidd	Murphy Nesbitt Welsh—13.
Elgie	Lancaster	

The Debate continued and after some time it was on the motion of Mr. Henry,

Ordered, That the Debate be adjourned.

The House then adjourned at 5.55 p.m.

# FRIDAY, JANUARY 22ND, 1937

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were read and received:-

Of the Municipal Corporation of the Town of Leamington, praying that an Act may pass to validate tax sales and to amend the Town of Leamington Act, 1931.

Of the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie, praying that an Act may pass clarifying the powers of the petitioners in respect to financing.

Of the Sisters of St. Joseph of the Diocese of Sault Ste. Marie, praying that an Act may pass creating the petitioners as a body corporate and setting out their powers to hold property.

Of the Municipal Corporation of the Town of Kapuskasing, praying that an Act may pass giving the petitioners power to make assessments for Separate School purposes under the authority of The Town of Kapuskasing Act of 1931.

Of the Municipal Corporation of the City of Sarnia, praying that an Act may pass confirming all sales of land for taxes by the petitioners prior to December 31st, 1935.

Of the Municipal Corporation of the Township of Sarnia, praying that an Act may pass to validate and confirm a debenture by-law for the amount of \$33,280.64.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of Bill (No. 31), An Act to amend The Power Commission Act, having been read,

The Debate continued and after some time it was on the motion of Mr. MacBride,

Ordered, That the Debate be adjourned.

The House then adjourned at 5.10 p.m.

### MONDAY, JANUARY 25th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of Bill (No. 31), An Act to amend The Power Commission Act, having been read,

The Debate continued and after some time it was on the motion of Mr. Macaulay,

Ordered, That the Debate be adjourned.

The House then adjourned at 5.55 p.m.

#### TUESDAY, JANUARY 26TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were severally brought up and laid upon the Table:—

By Mr. Wigle, the Petition of the Pelee Island Co-operative Association.

By Mr. Sinclair (Ontario), the Petition of the Municipal Corporation of the City of Oshawa.

By Mr. Duncan, the Petition of the Municipal Corporation of the City of London.

By Mr. MacBride, the Petition of the Municipal Corporation of the City of Brantford.

By Mr. Patterson, the Petition of the Municipal Corporations of the City of Owen Sound and the County of Grey.

By Mr. Murray, the Petition of the Municipal Corporation of the Town of Renfrew.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of Bill (No. 31), An Act to amend The Power Commission Act, having been read,

The Debate continued and after some time it was on the motion of Mr. Hunter,

Ordered, That the Debate be adjourned.

The House then adjourned at 11.00 p.m.

#### WEDNESDAY, JANUARY 27th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were read and received:-

Of the Pelee Island Co-operative Association, praying that an Act may pass to rectify the omission of the Petitioners to have their by-laws approved and to extend the powers of the Association.

Of the Municipal Corporation of the City of Oshawa, praying that an Act may pass to confirm the Assessment Rolls of the City.

Of the Municipal Corporation of the City of London, praying that an Act may pass authorizing the issue of debentures to the amount of \$370,398.78, to exempt the property of the London and Port Stanley Railway from taxation and to validate tax sales.

Of the Municipal Corporation of the City of Brantford, praying that an Act may pass releasing from forfeiture under The Mortmain and Charitable Uses Act, certain properties sold by the Petitioners, to establish a Reforestation Commission, and for other purposes.

Of the Municipal Corporations of the City of Owen Sound and the County of Grey, praying that an Act may pass to validate an assessment equalization agreement, to validate tax sales, and for other purposes.

Of the Municipal Corporation of the Town of Renfrew, praying that an Act may pass to validate the Assessment Rolls of the Petitioner made previous to January 1st, 1937.

On motion of Mr. Croll, seconded by Mr. Henry,

Resolved, That the Legislative Assembly of the Province of Ontario has watched with anxiety and apprehension the daily growth of the catastrophe which has been inflicted on portions of the United States as a result of disastrous floods.

That this Assembly learns with sorrow of the loss of life and great destruction of property which has followed in the wake of the swollen rivers and

That this Assembly desires to convey to the President and people of the United States, and particularly to the sufferers in the flood area, its sincere sympathy and to express the hope that, with God's help, the limit of the disaster may speedily be reached and a normal condition be again attained.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of Bill (No. 31), An Act to amend The Power Commission Act, having been read,

The Debate continued, and after some time Mr. Kidd moved in amendment, seconded by Mr. Murphy,

That Bill (No. 31) be not now read a second time, but be referred to a select committee for consideration and report, such committee to consist of:

Messrs. Nixon (Brant), Roebuck, McQuesten, Black, Houck, McQuibban, Schwenger, Gordon, Colter, Strachan, Henry, Macaulay, Challies, Heighington and Ellis.

The Debate continued and after some time the Amendment to the Motion having been put was lost on the following Division:—

#### YEAS

Acres Baird Black Challies Craig	Duckworth Elgie Ellis Heighington Henry	Kidd Macaulay Murphy Price Welsh—15
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C .	0	11100
Craig	Henry	Welsh—15.
	Nays	
Allen Anderson Armstrong Asmussen Avery Baker Ballantyne Belanger Bethune Blakelock Bowerman	Nays Dewan Dickson Duncan Faulkner Freeborn Fulford Gardhouse Gordon Guthrie Habel Heenan	McVicar Newman Nixon (Brant) Nixon (Temiskaming) Oliver Patterson Robertson Roebuck
Bradley Bragg Brownridge Campbell Carr Clark Colter Crawford Croll Croome	Houck King Kirby Leduc Marceau Marshall Miller Murray McQuesten McQuibban	Sangster Simpson Sinclair (Bruce)  Smith Strachan Tanner Trottier Wigle—58.

#### PAIRS

Lancaster — MacBride Nesbitt — Hunter. The motion of the Second Reading of Bill (No. 31), An Act to amend The Power Commission Act, having then been put was carried on the following Division:—

#### YEAS

Allen Anderson Armstrong Asmussen Avery Baker Ballantyne Belanger Bethune Blakelock Bowerman Bradley Bragg Brownridge Campbell Carr Clark Colter Crawford Croll Croome

Dewan Dickson Duncan Faulkner Freeborn Fulford Gardhouse Gordon Guthrie Habel Heenan Houck King Kirby Leduc Marceau Marshall Miller Murray McQuesten McQuibban McVicar Newman Nixon (Brant) Nixon (Temiskaming)

Oliver Patterson Robertson Roebuck Sangster Simpson Sinclair (Bruce)

Smith Strachan Tanner Trottier Wigle—58.

#### NAYS

Acres
Baird
Black
Challies
Craig

Duckworth Elgie Ellis Heighington Henry Kidd Macaulay Murphy Price Welsh—15.

#### PAIRS

MacBride — Lancaster Hunter — Nesbitt.

And the Bill was accordingly read a second time, and was referred to the Committee of the Whole House to-morrow.

#### THURSDAY, JANUARY 28th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The Order of the Day for the Second Reading of Bill (No. 32), An Act to amend The Privy Council Appeals Act, having been read,

And a Debate having arisen, after some time the motion for the Second Reading having been put was carried on the following Division:—

#### YEAS

Allen Duncan Faulkner Anderson Armstrong Asmussen Averv Baker Ballantyne Belanger Bethune Bowerman Bradley Bragg Brownridge Campbell Carr Clark Colter Crawford Croll Croome Dewan Dickson McQuesten

Freeborn Fulford Gardhouse Gordon Guthrie Habel Heenan Houck Hunter Kelly King Kirby Lawrence Leduc Marceau Marshall Miller Murray Macfie

Newman Nixon (Brant) Nixon (Temiskaming) Oliver Patterson Robertson Roebuck Rowlandson Sangster Simpson Sinclair (Bruce) Smith Strachan Tanner Trottier

McQuibban

McVicar

#### NAYS

Acres Baird Black Challies Craig Duckworth

Elgie Ellis Heighington Henry Kidd Lancaster

Macaulay Murphy Nesbitt Price Welsh—17.

Wigle-62.

And the Bill was accordingly read a second time and was referred to the Committee of the Whole House to-morrow.

The Order of the Day for the Second Reading of Bill (No. 33), An Act to declare the meaning of subsection 4 of section 6 of The Power Commission Act, having been read,

And a Debate having arisen, after some time it was on the motion of Mr. Elgie,

Ordered, That the Debate be adjourned.

The House then adjourned at 6.10 p.m.

#### FRIDAY, JANUARY 29th, 1937.

PRAYERS.

3 O'CLOCK P.M.

Before the Orders of the Day were called Mr. Speaker addressed the House as follows:—

"On Tuesday, the 19th instant, the Member for Ottawa South asked me to supplement by a written ruling my verbal decision that Bill (No. 31), An Act to amend The Power Commission Act, could properly be introduced in the House on the first day of the Session without the customary two days' notice. I would refer the Honourable Member to my Ruling on a similar point delivered to the House on February 19th, 1936, which can be found in the Journals of the Assembly for 1936, page 21."

"On Thursday, the 21st day of January instant, the Member for Ottawa South objected to the consideration of Bill No. 31, being An Act to amend The Power Commission Act, on the ground that the Bill deals with a matter which is before the Courts for consideration. He quoted a rule of the House of Commons of Canada to the effect that a matter which is before the Courts for adjudication cannot be discussed in the House, and also referred to the work entitled 'Parliamentary Practice,' by Sir Erskine May (13th Edition), especially at page 323. I quote:

"'Matters awaiting the adjudication of a Court of law should not be brought forward in debate.'

"When making a verbal ruling upon the point I advised the House that I would deliver a written ruling at a later date. This I am now doing.

"It is well known to the Members of this House that where any question of procedure which may arise is not governed by the Rules of the House, the procedure is to be governed by the Rules of the House of Commons of Great Britain, and not by the Rules of the House of Commons of Canada. This rule of procedure is in fact expressed in clause (b) of Rule No. 1 of the Rules of this House.

"There is no rule of this Assembly, nor of the House of Commons of Great Britain which prohibits introduction or consideration of any Bill which interferes with an action pending in any court. The impracticability of such a rule is manifest. It would prevent the introduction of any Bill amending The Judicature Act; The County Courts Act; The Division Courts Act; The Execution Act; or any other Act affecting actions at law. A consideration of the number of actions which are constantly in the courts which would interfere with any legislation affecting the laws under which such actions are brought renders it apparent that any rule which would prevent such legislation would unduly and unreasonably interfere with the procedure and business of the Assembly.

Nor is there any rule, either of this Assembly or of the House of Commons of Great Britain which prohibits consideration being given to any matter which is awaiting adjudication by any court. Instances of the passing of Bills affecting particular actions or other proceedings before the courts are not uncommon in the history of this Legislature, and having regard to several such instances referred to specifically in this House during the course of the debate on the Bill under discussion it is unnecessary for me to quote them here.

"In my opinion, it is clear that the extract from Sir Erskine May's work, above quoted, goes no further than to state that during the course of a debate Members should not refer to matters awaiting the adjudication of a court of law, such matters being *sub judice*. It is not intended to interfere with the right of legislative bodies to alter existing laws, even though such alteration may affect a matter before the courts.

"I hold that it would be a stultification of the powers of this Assembly to rule that an Act may not be introduced to remedy a condition in an Act and to make clear the will of the Assembly even though the Act to be remedied is under consideration by a Court of Law.

"Accordingly, it is my ruling that an Act may be introduced and considered by the Assembly, notwithstanding that such Act may interfere with actions pending before the courts."

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of "Bill (No. 33), An Act to declare the meaning of subsection 4 of section 6 of The Power Commission Act," having been read,

The Debate continued, and after some time the motion for the Second Reading having been put was carried on the following Division:—

#### YEAS

Allen Glass Anderson Armstrong Habel Averv Heenan Baker Ballantyne Houck Belanger Hunter Kellv Bethune

Blakelock Campbell Carr Colter Crawford Croll Croome Dewan

Dickson Faulkner Gardhouse Guthrie

Kirby Lapierre Lawrence Leduc Marceau Marshall Miller

Murray MacBride McQuesten Newman Nixon

Nixon

Patterson Roberts Robertson Roebuck Rowlandson Sangster Schwenger Simpson Sinclair (Bruce)

Smith Strachan Trottier Wigle—52.

#### NAYS

Baird Black Challies Craig

Duckworth Elgie Heighington Henry

Kidd Macaulay Murphy Nesbitt—12.

And the Bill was accordingly read a second time, and was referred to the Committee of the Whole House to-day.

The House resolved itself into a Committee to consider Bill (No. 31), An Act to amend The Power Commission Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered. That the Bill be read the third time to-day.

The House resolved itself into a Committee to consider Bill (No. 32), An Act to amend The Privy Council Appeals Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-day.

The House resolved itself into a Committee to consider Bill (No. 33), An Act to declare the meaning of subsection 4 of section 6 of The Power Commission Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-day.

The following Bills were read the third time and were passed:-

Bill (No. 31), An Act to amend The Power Commission Act.

Bill (No. 32), An Act to amend The Privy Council Appeals Act.

Bill (No. 33), An Act to declare the meaning of subsection 4 of section 6 of The Power Commission Act.

His Honour the Lieutenant-Governor entered the Chamber of the Legislative Assembly and took his Seat upon the Throne.

Mr. Speaker then addressed His Honour as follows:-

May it please Your Honour:

The Legislative Assembly of the Province has, at its present Sittings, passed certain Bills to which, on behalf and in the name of the said Assembly, I respectfully request Your Honour's Assent.

The Clerk Assistant then read the titles of the Acts that had passed as follows:—

An Act to amend The Power Commission Act.

An Act to amend The Privy Council Appeals Act.

An Act to declare the meaning of subsection 4 of section 6 of The Power Commission Act.

To these Acts the Royal Assent was announced by the Clerk of the Legislative Assembly in the following words:—

In His Majesty's name, His Honour the Lieutenant-Governor doth assent to these Acts.

His Honour was then pleased to retire.

The following Bills were severally introduced and read the first time:-

Bill (No. 34), intituled: "An Act to provide for the Consolidation of the Statutes of Ontario." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 35), intituled: "An Act to amend The Interpretation Act." Mr. Roebuck.

Ordered, that the Bill be read the second time to-morrow.

Bill (No. 36), intituled: "An Act to amend The Statutes Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 37), intituled: "An Act to amend The Legislative Assembly Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 38), intituled: "An Act to repeal The Legislative Secretary for Northern Ontario Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 39), intituled "An Act respecting The Prevention of Accidents by Fire in Hotels." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 40), intituled: "An Act to amend The Toronto General Hospitals Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

On motion of Mr. Nixon (Brant), seconded by Mr. Roebuck,

Ordered, That, pursuant to resolution of the House on Tuesday the Nineteenth Instant, the Speech of the Honourable the Lieutenant-Governor at the opening of the House be taken into consideration on Tuesday the Sixteenth day of February next.

Mr. Nixon (Brant) moved, seconded by Mr. Roebuck,

That when this House adjourns the present Sitting it do stand adjourned until Tuesday the Sixteenth day of February next,

And a Debate having arisen,

After some time the motion having been put was carried on the following Division:—

#### YEAS

Allen	Habel	McQuesten
Anderson	Heenan	Nixon
Ballantyne	Hunter	(Brant)
Bethune	Kirby	Roebuck
Blakelock	Lapierre	Rowlandson
Carr	Lawrence	Sängster
Crawford Croome	Marceau	Schwenger
Glass	Marshall	Simpson
Gordon	MacBride	Strachan—27.

#### NAYS

Baird	Duckworth	Kidd
Black	Elgie	Macaulay
Challies	Heighington	Murphy
Craig	Henry	Nesbitt—12.

And it was accordingly,

Ordered, That when this House adjourns the present Sitting it do stand adjourned until Tuesday the Sixteenth day of February next.

The House then adjourned at 5.10 p.m.

## TUESDAY, FEBRUARY 16TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were severally brought up and laid upon the Table:—

By Mr. Kirby, the Petition of the Municipal Corporation of the City of Toronto.

By Mr. Avery, the Petition of the Municipal Corporation of the City of St. Catharines.

By Mr. Schwenger, the Petition of the Municipal Corporation of the Town of Dundas; also, the Petition of the Municipal Corporation of the City of Hamilton.

By Mr. Henry, the Petition of the Municipal Corporation of the Township of East York.

By Mr. Baker, the Petition of George Newcombe Gordon of the City of Peterborough.

By Mr. Macaulay, the Petition of the Municipal Corporation of the Village of Forest Hill.

The Order of the Day for the Consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session having been read,

Mr. MacBride moved, seconded by Mr. Habel,

That an humble Address be presented to The Honourable the Lieutenant-Governor as follows:—

To the Honourable Herbert Alexander Bruce, a Colonel in the Royal Army Medical Corps, F.R.C.S. (Eng.), Lieutenant-Governor of the Province of Ontario.

We, His Majesty's most dutiful and loyal subjects, the Legislative Assembly of the Province of Ontario, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has addressed to us.

And a Debate having ensued, it was, on the motion of Mr. Henry,

Ordered, That the Debate be adjourned until Thursday next.

The House then adjourned at 4.35 p.m.

# WEDNESDAY, FEBRUARY 17th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petition was brought up and laid upon the Table:-

By Mr. Ellis, the Petition of the Municipal Corporation of the City of Ottawa.

The following Petitions were read and received:-

Of the Municipal Corporation of the City of Toronto, praying that an Act may pass to confirm tax sales of land prior to December 31st, 1935, and to validate certain by-laws.

Of the Municipal Corporation of the City of St. Catharines, praying that an Act may pass validating the title of the Petitioners to certain lands and to remove the civic gas plant from the control of the Public Utilities Commission.

Of the Municipal Corporation of the Town of Dundas, praying that an Act may pass to validate a tax sale of lands held on the 5th day of April, 1935.

Of the Municipal Corporation of the City of Hamilton, praying that an Act may pass to validate tax sales and to permit the Corporation to sell certain industrial lands.

Of the Municipal Corporation of the Township of East York, praying that an Act may pass to provide that there shall be no division of the Township for a stated period, to provide for the exemption from taxes of dwelling-houses under certain conditions and for other purposes.

Of George Newcombe Gordon, of the City of Peterborough, praying that an Act may pass terminating a lease of lands by the Corporation of the City of Peterborough to the Canadian General Electric Company and terminating fixed assessments granted by the said Corporation to the De Laval Company, Limited, and the Canadian Raybestos Company, Limited, and for other purposes.

Of the Municipal Corporation of the Village of Forest Hill, praying that an Act may pass incorporating the said Village as a City, to validate a certain by-law and for other purposes.

The following Bills were severally introduced and read the first time:-

Bill (No. 41), intituled "An Act to amend The Income Tax Act of Ontario, 1936." Mr. Leduc.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 42), intituled "An Act to amend The Corporations Tax Act." Mr. Leduc.

Ordered, That the Bill be read the second time to-morrow.

The following Bills were severally read the second time:-

Bill (No. 34), An Act to provide for the Consolidation of the Statutes of Ontario.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 35), An Act to amend The Interpretation Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 36), An Act to amend The Statutes Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 37), An Act to amend The Legislative Assembly Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 38), An Act to repeal The Legislative Secretary for Northern Ontario Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 39), An Act respecting the Prevention of Accidents by Fire in Hotels.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 40), An Act to amend The Toronto General Hospital Act.

Referred to the Committee of the Whole House to-morrow.

The House then adjourned at 3.55 p.m.

# THURSDAY, FEBRUARY 18th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petition was read and received:-

Of the Municipal Corporation of the City of Ottawa, praying that an Act may pass to authorize a debenture by-law of \$200,000.00 and to ratify a certain agreement and assessments.

The Order of the Day for resuming the Adjourned Debate on the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

The Debate was resumed and, after some time, it was on the motion of Mr. Hepburn,

Ordered, That the Debate be further adjourned until Tuesday next.

The House then adjourned at 6.00 p.m.

### FRIDAY, FEBRUARY 19TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

Mr. Fulford from the Select Committee appointed to strike the Standing Committees of the House presented their report which was read as follows, and adopted.

Your Committee recommends that the Standing Committees of the House as listed hereunder be composed as follows:—

### COMMITTEE ON STANDING ORDERS

The Honourable Mr. Hepburn, Messrs. Allen, Baker, Belanger, Black, Bragg, Brownridge, Campbell, Carr, Craig, Crawford, Duckworth, Elgie, Gardhouse, Glass, Guthrie, Habel, Henry, Houck, Kidd, Kirby, Lancaster, Lapierre, Lawrence, Leduc, Macaulay, Miller, Murray, MacFie, McVicar, Newman, Nixon, (Brant), Nixon (Temiskaming), Patterson, Robertson, Sangster, Schwenger, Sinclair (Bruce), Smith, Tanner, Welsh—41.

The Quorum of the said Committee to consist of seven Members.

## COMMITTEE ON PRIVILEGES AND ELECTIONS

Honourable Mr. Hepburn, Messrs. Asmussen, Baird, Baker, Belanger, Bragg, Brownridge, Clark, Colter, Cox, Crawford, Croome, DesRosiers, Dewan, Duncan, Elgie, Ellis, Faulkner, Gordon, Heenan, Heighington, Henry, Hunter, Kidd, King, Kirby, Macaulay, Marceau, MacBride, Murray, Nesbitt, Nixon (Brant), Nixon (Temiskaming), Patterson, Price, Roberts, Roebuck, Sangster, Schwenger, Simpson, Sinclair (Ontario), Strachan, Wigle, Welsh—44.

The Quorum of the said Committee to consist of nine Members.

#### COMMITTEE ON RAILWAYS

Honourable Mr. Hepburn, Messrs. Acres, Allen, Anderson, Armstrong, Baird, Baker, Bradley, Brownridge, Carr, Challies, Colter, Cox, Craig, Crawford, Dewan, Dickson, Duckworth, Duncan, Elgie, Ellis, Faulkner, Fulford, Gordon, Habel, Heenan, Heighington, Henry, Hunter, Kelly, Kidd, Kirby, Lancaster, Lapierre, MacBride, MacFie, McQuesten, McVicar, Macaulay, Murphy, Murray, Nesbitt, Nixon (Temiskaming), Oliver, Patterson, Price, Robertson, Rowlandson, Sinclair (Bruce) Smith, Strachan, Tanner, Trottier, Welsh, Wigle—55.

The Quorum of the said Committee to consist of nine Members.

#### COMMITTEE ON PRIVATE BILLS

Honourable Mr. Hepburn, Messrs. Acres, Allen, Anderson, Armstrong, Asmussen, Baird, Ballantyne, Belanger, Bethune, Black, Blakelock, Bowerman, Bragg, Brownridge, Campbell, Carr, Clark, Colter, Cox, Croll, Croome, DesRosiers, Dewan, Duckworth, Duncan, Elgie, Ellis, Fulford, Gardhouse, Glass, Heighington, Henry, Houck, Hunter, Kelly, Kidd, King, Kirby, Lancaster, Lawrence, Leduc, Macaulay, Marshall, Miller, Murphy, Murray, MacBride, Nesbitt, Newman, Nixon (Temiskaming), Oliver, Patterson, Price, Roberts, Roebuck, Rowlandson, Sangster, Schwenger, Sinclair (Bruce), Smith, Strachan, Tanner, Trottier, Welsh, Wigle—66.

The Quorum of the said Committee to consist of nine Members.

#### COMMITTEE ON PUBLIC ACCOUNTS

Honourable Mr. Hepburn, Messrs. Acres, Anderson, Armstrong, Avery, Baird, Baker, Ballantyne, Belanger, Black, Blakelock, Bowerman, Bradley, Bragg, Brownridge, Campbell, Carr, Challies, Clark, Colter, Cox, Craig, Crawford, Croll, Dewan, Dickson, Duckworth, Elgie, Ellis, Faulkner, Freeborn, Fulford, Gardhouse, Glass, Gordon, Heenan, Heighington, Henry, Houck, Kelly, Kidd, Kirby, Lancaster, Lawrence, Leduc, Macaulay, Marceau, Miller, Murphy, Murray, MacBride, MacFie, McQuesten, Nesbitt, Newman, Nixon (Brant), Nixon (Temiskaming), Oliver, Patterson, Price, Roberts, Roebuck, Sangster, Schwenger, Simpson, Sinclair (Ontario), Strachan, Welsh—68.

The Quorum of the said Committee to consist of nine Members.

#### COMMITTEE ON PRINTING

Honourable Mr. Hepburn, Messrs. Acres, Allen, Avery, Belanger, Bowerman, Bragg, Campbell, Challies, Crawford, Croome, Duncan, Guthrie, Heighington, Henry, Hunter, Kidd, King, Kirby, Lancaster, Leduc, Murphy, MacBride, Nixon (Brant), Nixon (Temiskaming), Simpson, Sinclair (Ontario), Strachan—28.

The Quorum of the said Committee to consist of five Members.

#### COMMITTEE ON MUNICIPAL LAW

Honourable Mr. Hepburn, Messrs. Allen, Anderson, Avery, Asmussen, Baird, Ballantyne, Bethune, Black, Blakelock, Bowerman, Bradley, Bragg, Campbell, Carr, Challies, Clark, Colter, Cox, Craig, Croll, DesRosiers, Dewan, Dickson, Duckworth, Elgie, Ellis, Freeborn, Gardhouse, Glass, Gordon, Heighington, Henry, Houck, Kelly, Kidd, Kirby, Lawrence, Macaulay, Marceau, Marshall, Miller, Murphy, Murray, MacFie, McQuesten, McVicar, Oliver, Price, Roberts, Robertson, Schwenger, Sinclair (Bruce), Sinclair (Ontario), Smith, Tanner, Trottier, Welsh, Wigle—59.

The Quorum of the said Committee to consist of nine Members.

#### COMMITTEE ON LEGAL BILLS

Honourable Mr. Hepburn, Messrs. Anderson, Avery, Baird, Bethune, Bradley, Clark, Colter, Cox, Croll, Dewan, Elgie, Ellis, Gordon, Glass, Heighington, Henry Houck, Kidd, Kirby, Leduc, Macaulay, McQuesten, Nesbitt, Price, Roebuck, Schwenger, Sinclair (Ontario), Strachan—29.

The Quorum of the said Committee to consist of five Members.

#### COMMITTEE ON AGRICULTURE AND COLONIZATION

Honourable Mr. Hepburn, Messrs. Acres, Armstrong, Baker, Ballantyne, Bethune, Black, Blakelock, Bowerman, Bragg, Brownridge, Campbell, Carr, Challies, Craig, Croome, Dewan, Dickson, Duckworth, Duncan, Freeborn, Gardhouse, Guthrie, Habel, Heenan, Henry, Houck, Kidd, King, Kirby, Lancaster, Lapierre, Lawrence, Marshall, Miller, Murphy, MacFie, McVicar, Newman, Nixon (Temiskaming), Oliver, Patterson, Roberts, Robertson, Rowlandson, Sangster, Sinclair (Bruce), Tanner, Trottier, Welsh, Wigle—51.

The Quorum of the said Committee to consist of nine Members.

### COMMITTEE ON FISH AND GAME

Honourable Mr. Hepburn, Messrs. Acres, Armstrong, Baker, Ballantyne, Black, Blakelock, Bowerman, Bradley, Bragg, Brownridge, Campbell, Carr, Challies, Colter, Craig, Croome, DesRosiers, Dickson, Duncan, Elgie, Ellis, Freeborn, Fulford, Gardhouse, Gordon, Guthrie, Habel, Henry, Houck, Hunter, Kelly, Kidd, Kirby, Lancaster, Lapierre, Marceau, Marshall, Miller, Murphy, Murray, MacFie, McVicar, Newman, Nixon (Brant), Nixon (Temiskaming), Oliver, Patterson, Roberts, Robertson, Sangster, Schwenger, Sinclair (Ontario), Smith, Tanner, Trottier, Welsh, Wigle—58.

The Quorum of the said Committee to consist of nine Members.

### COMMITTEE ON LABOUR

Honourable Mr. Hepburn, Messrs. Acres, Allen, Anderson, Asmussen, Avery, Baird, Bethune, Cox, Crawford, Croll, Dewan, Duckworth, Ellis, Fulford, Gardhouse, Glass, Guthrie, Henry, Hunter, Kidd, King, Kirby, Lapierre, Lawrence, Murphy, Murray, Nesbitt, Newman, Roebuck, Rowlandson, Schwenger, Smith, Tanner, Trottier, Welsh—36.

The Quorum of the said Committee to consist of five Members.

The following Bills were severally introduced and read the first time:-

Bill (No. 43), intituled "An Act to amend The Succession Duty Act, 1934."

Mr. Leduc.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 44), intituled "An Act to amend The Employment Agencies Act." Mr. Croll.

Ordered, That the Bill be read the second time on Monday next.

Before the Orders of the Day were called Mr. Speaker informed the House that the Clerk had received from the American Consul-General a message transmitted from the Secretary of State at Washington acknowledging receipt of a message of sympathy from this House in connection with the recent disastrous floods in the United States.

The message was then read by the Clerk at the Table, as follows:-

### THE FOREIGN SERVICE

OF THE

### UNITED STATES OF AMERICA

Department of State

### AMERICAN CONSULATE GENERAL

Toronto, Canada, February 8, 1937.

ALEX. C. LEWIS, ESQUIRE,

Clerk of the Legislative Assembly of Ontario,

Parliament Buildings,

Toronto, Canada.

Sir:

I am directed by the Secretary of State, Washington, D.C., to acknowledge receipt, in behalf of the President of the United States, of the Resolution of

sympathy passed by the Legislative Assembly of Ontario on January 27th, 1937, as an expression of sympathy to the President and people of the United States for the loss of life and great destruction of property resulting from the disastrous floods in certain portions of the United States. I am further directed to inform you that the sympathetic message of the Legislative Assembly of Ontario has been received by the President with sincere appreciation.

Very respectfully yours,

(Signed) H. S. GOOLD,

American Consul-General.

The House resolved itself into a Committee to consider Bill (No. 35), An Act to amend The Interpretation Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Gordon reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 36), An Act to amend The Statutes Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Gordon reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 37), An Act to amend The Legislative Assembly Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Gordon reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 38), An Act to Repeal The Legislative Secretary for Northern Ontario Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Gordon reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 39), An Act respecting the Prevention of Accidents by Fire in Hotels, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Gordon reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 40), An Act to amend The Toronto General Hospital Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Gordon reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 34), An Act to provide for the Consolidation of the Statutes of Ontario, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Gordon reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House then adjourned at 3.45 p.m.

# MONDAY, FEBRUARY 22ND, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were severally brought up and laid upon the Table:—

By Mr. Brownridge, the Petition of the Municipal Corporation of the Town of Cornwall.

By Mr. Carr, the Petition of the Municipal Corporation of the City of Belleville.

By Mr. Gardhouse, the Petition of the Municipal Corporation of the County of York.

The following Bills were severally introduced and read the first time:-

Bill (No. 45), intituled "An Act to amend The Beach Protection Act." Mr. Leduc.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 46), intituled "An Act to amend The Mining Act." Mr. Leduc.

Ordered, That the Bill be read the second time to-morrow.

The following Bills were severally read the third time and were passed:-

Bill (No. 35), An Act to amend The Interpretation Act.

Bill (No. 36), An Act to amend The Statutes Act.

Bill (No. 37), An Act to amend The Legislative Assembly Act.

Bill (No. 38), An Act to Repeal The Legislative Secretary for Northern Ontario Act.

Bill (No. 39), An Act respecting the Prevention of Accidents by Fire in Hotels.

Bill (No. 40), An Act to amend The Toronto General Hospital Act.

Bill (No. 34), An Act to provide for the Consolidation of the Statutes of Ontario.

On motion of Mr. Leduc, seconded by Mr. Croll,

Ordered, That this House do forthwith resolve itself into a Committee to consider a certain proposed Resolution respecting collection of tax under The Income Tax Act, 1936.

Mr. Hepburn acquainted the House that His Honour the Lieutenant-Governor, having been informed of the subject matter of the proposed Resolution, recommends it to the consideration of the House.

The House then resolved itself into the Committee.

## (In the Committee)

Resolved—1. The exemption or deduction from income permitted under The Income Tax Act of Ontario, 1936, in respect of moneys retained by an employer in connection with an employees' superannuation or pension fund plan be limited to \$300 in the case of each income.

- 2. The exemption or deduction from income permitted by The Income Tax Act of Ontario, 1936, in respect of tax paid under The Income War Tax Act (Canada) shall not apply to the portion of the income of any person which is deemed to be distributed to him by a personal corporation which is incorporated under the laws of a country or state outside of Canada or has its head office outside of Canada.
- 3. The application of The Income Tax Act of Ontario, 1936, to certain types of trusts be clarified.
- 4. One-third of the tax payable by any person under The Income Tax Act of Ontario, 1936, shall accompany the income tax return and the balance shall be paid within four months thereafter with interest at five per centum, and the additional interest payable upon tax which is not so paid shall be three per centum.
- 5. Interest payable upon tax found due in excess of that included in the tax payers estimate shall be at the rate of five per centum until one month after the date of mailing of the notice of assessment and thereafter an additional three per centum shall be charged.
- Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to a certain Resolution.

Ordered, That the Report be now received.

- Resolved—1. The exemption or deduction from income permitted under The Income Tax Act of Ontario, 1936, in respect of moneys retained by an employer in connection with an employees' superannuation or pension fund plan be limited to \$300 in the case of each income.
- 2. The exemption or deduction from income permitted by The Income Tax Act of Ontario, 1936, in respect of tax paid under The Income War Tax Act (Canada) shall not apply to the portion of the income of any person which is deemed to be distributed to him by a personal corporation which is incorporated under the laws of a country or state outside of Canada or has its head office outside of Canada.
- 3. The application of The Income Tax Act of Ontario, 1936, to certain types of trusts be clarified.
- 4. One-third of the tax payable by any person under The Income Tax Act of Ontario, 1936, shall accompany the income tax return and the balance shall be paid within four months thereafter with interest at five per centum, and the additional interest payable upon tax which is not so paid shall be three per centum.
- 5. Interest payable upon tax found due in excess of that included in the tax payers estimate shall be at the rate of five per centum until one month after the date of mailing of the notice of assessment and thereafter an additional three per centum shall be charged.

The Resolution, having been read the second time, was agreed to, and referred to the House on Bill (No. 41), An Act to amend The Income Tax Act of Ontario, 1936.

On motion of Mr. Leduc, seconded by Mr. Croll,

Ordered, That this House do forthwith resolve itself into a Committee to consider a certain proposed Resolution respecting the collection of tax under The Corporations Tax Act.

Mr. Hepburn acquainted the House that His Honour the Lieutenant-Governor, having been informed of the subject matter of the proposed Resolution, recommends it to the consideration of the House.

The House then resolved itself into the Committee.

### (In the Committee)

Resolved—1. That taxes imposed by The Corporations Tax Act shall be due on the last day of the fiscal year of the company or incorporated company and shall be payable on or before the last day of the month ending six months from the close of such fiscal year.

- 2. That the paid-up capital of every incorporated company engaged in mining shall be exempt from tax under The Corporations Tax Act until the profits of such company are sufficient to be assessed for a tax under The Mining Tax Act.
- 3. That a portion of the paid-up capital of every incorporated company whose only business is the holding of real estate for sale or rent and the owning of buildings used as hotels and apartment houses, shall be exempt from tax under The Corporations Tax Act.
- 4. That every tax which has been imposed by The Corporations Tax Act, other than taxes in respect of the transfer of shares and other securities, and taxes payable in respect of race meetings, shall be deemed to have been imposed for the fiscal year of the company or incorporated company so taxed, ending in the calendar year next preceding the calendar year in which such tax was payable.

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to a certain Resolution.

Ordered, That the Report be now received.

Resolved—1. That taxes imposed by The Corporations Tax Act shall be due on the last day of the fiscal year of the company or incorporated company and shall be payable on or before the last day of the month ending six months from the close of such fiscal year.

- 2. That the paid-up capital of every incorporated company engaged in mining shall be exempt from tax under The Corporations Tax Act until the profits of such company are sufficient to be assessed for a tax under The Mining Tax Act.
- 3. That a portion of the paid-up capital of every incorporated company whose only business is the holding of real estate for sale or rent and the owning of buildings used as hotels and apartment houses, shall be exempt from tax under The Corporations Tax Act.
- 4. That every tax which has been imposed by The Corporations Tax Act, other than taxes in respect of the transfer of shares and other securities, and taxes payable in respect of race meetings, shall be deemed to have been imposed for the fiscal year of the company or incorporated company so taxed, ending in the calendar year next preceding the calendar year in which such tax was payable.

The Resolution, having been read the second time, was agreed to, and referred to the House on Bill (No. 42), An Act to amend The Corporations Tax Act.

The following Bills were severally read the second time:-

Bill (No. 41), An Act to amend The Income Tax Act of Ontario, 1936.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 42), An Act to amend The Corporations Tax Act.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 44), An Act to amend The Employment Agencies Act.

Referred to a Committee of the Whole House to-morrow.

The House then adjourned at 3.35 p.m.

### TUESDAY, FEBRUARY 23RD, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were read and received:-

()f the Municipal Corporation of the Township of Cornwall, praying that an Act may pass to confirm an agreement for a fixed assessment on the property of the Howard Smith Chemicals.

Of the Municipal Corporation of the City of Belleville, praying that an Act may pass authorizing a reduction in the membership of the City Council, the appointment of a City Manager and to establish a Public Utilities Commission.

Of the Municipal Corporation of the County of York, praying that an Act may pass authorizing the fixing of allowances to members of the County and Township Councils, to extend the jurisdiction of the Police Force and the Police Commissioners.

Mr. Newman, from the Standing Committee on Standing Orders, presented their First Report which was read as follows and adopted:—

Your Committee has carefully examined the following Petitions and finds the notices as published in each case sufficient:—

Of the Municipal Corporation of the Town of Leamington, praying that an Act may pass to validate tax sales and to amend the Town of Leamington Act, 1931.

Of the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie, praying that an Act may pass clarifying the powers of the Petitioners in respect to financing.

Of the Sisters of St. Joseph of the Diocese of Sault Ste. Marie, praying that an Act may pass creating the Petitioners as a body corporate and setting out their powers to hold property.

Of the Municipal Corporation of the Town of Kapuskasing, praying that an Act may pass giving the Petitioners power to make assessments for separate school purposes under authority of the Town of Kapuskasing Act of 1921.

Of the Municipal Corporation of the City of Sarnia, praying that an Act may pass confirming all sales of land for taxes by the Petitioners prior to December 31st, 1935.

Of the Municipal Corporation of the City of Toronto, praying that an Act may pass to confirm tax sales of land prior to December 31st, 1935, and to validate certain by-laws.

Of the Pelee Island Co-operative Association, praying that an Act may pass to rectify the omission of the Petitioners to have their by-laws approved and to extend the powers of the Association.

Of the Municipal Corporation of the Town of Dundas, praying that an Act may pass to validate a tax sale of lands held on the 5th day of April, 1935.

The following Bill was introduced and read the first time:-

Bill (No. 47), intituled "An Act to amend The Public Health Act." Mr. Allen.

Ordered, That the Bill be read the second time to-morrow.

The Order of the Day for resuming the Adjourned Debate on the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

The Debate was resumed and, after some time, it was on the motion of Mr. Macaulay,

Ordered, That the Debate be further adjourned until to-morrow.

The House then adjourned at 5.55 p.m.

# WEDNESDAY, FEBRUARY 24TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Bills were severally introduced and read the first time:-

Bill (No. 48), intituled "An Act to amend The Assessment Act." Mr. Houck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 49), intituled "An Act to amend The Land Surveyors Act, 1931. Mr. Strachan.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 50), intituled "The Dionne Quintuplet Guardianship Amendment Act, 1937." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

On motion of Mr. Leduc, seconded by Mr. Croll,

Ordered, That this House do forthwith resolve itself into a Committee to consider a certain proposed Resolution respecting the payment of Succession Duty, under The Succession Duty Act.

Mr. Hepburn acquainted the House that His Honour the Lieutenant-Governor, having been informed of the subject matter of the proposed Resolution, recommends it to the consideration of the House.

The House then resolved itself into the Committee.

## (In the Committee)

Resolved—1. That The Succession Duty Act, 1934, as amended by The Succession Duty Amendment Act, 1935, be specifically declared to apply to certain dispositions of property and the persons to whom dispositions of property are made.

2. That when any payment is made to the Treasurer on account of succession duty, it shall be first applied on any interest which may have accrued on the duty, notwithstanding anything to the contrary.

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to a certain Resolution.

Ordered, That the Report be now received.

Resolved—1. That The Succession Duty Act, 1934, as amended by The Succession Duty Amendment Act, 1935, be specifically declared to apply to certain dispositions of property and the persons to whom dispositions of property are made.

2. That when any payment is made to the Treasurer on account of succession duty, it shall be first applied on any interest which may have accrued on the duty, notwithstanding anything to the contrary.

The Resolution having been read the second time was agreed to and referred to the House on Bill (No. 43), An Act to amend The Succession Duty Act, 1934.

The following Bills were severally read the second time:-

Bill (No. 43), An Act to amend The Succession Duty Act, 1934.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 46), An Act to amend The Mining Act.

Referred to a Committee of the Whole House to-morrow.

The House resolved itself into a Committee to consider Bill (No. 44), An Act to amend The Employment Agencies Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

The Order of the Day for resuming the Adjourned Debate on the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

The Debate was resumed and, after some time, it was on the motion of Mr. Glass,

Ordered, That the Debate be further adjourned until to-morrow.

The House then adjourned at 6.00 p.m.

# THURSDAY, FEBRUARY 25TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Bills were severally introduced and read the first time:-

Bill (No. 51), intituled "The Ontario Hairdressers and Barbers Association Repeal Act, 1937." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 1), intituled "An Act respecting the Town of Leamington." Mr. Wigle.

Referred to the Committee on Private Bills.

Bill (No. 4), intituled "An Act respecting the Town of Kapuskasing."

Mr. Habel.

Referred to the Committee on Private Bills.

Bill (No. 5), intituled "An Act respecting the City of Sarnia." Mr. Guthrie.

Referred to the Committee on Private Bills.

Bill (No. 6), intituled "An Act respecting the City of Toronto." Mr. Kirby.

Referred to the Committee on Private Bills.

Bill (No. 15), intituled "An Act respecting the Town of Dundas." Mr. Schwenger.

Referred to the Committee on Private Bills.

The Order of the Day for resuming the Adjourned Debate on the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

The Debate was resumed and, after some time, it was on the motion of Mr. Nesbitt,

Ordered, That the Debate be further adjourned until to-morrow.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Report of the Department of Public Works from April, 1935, to March 31st, 1936. (Sessional Papers No. 8.)

Also, Report of the Provincial Auditor, 1935-36. (Sessional Papers No. 27.)

Also, Report of the Ontario Historical Society for 1935-1936. (Sessional Papers No. 38.)

Also, Report on Distribution of the Sessional Statutes from January 1, 1936, to January 15, 1937. (Sessional Papers No. 30.)

Also, Annual Report of the Civil Service Commissioner of Ontario for the year ending March 31, 1936. (Sessional Papers No. 37.)

Also, Annual Report of the Public Service Superannuation Board, Ontario, for fiscal year ending March 31, 1936. (Sessional Papers No. 36.)

Also, Audit Report of the Ontario Athletic Commission from November 1, 1934, to March 31, 1935. (Sessional Papers No. 35.)

Also Audit Report of the Ontario Athletic Commission for the fiscal year ended October 31, 1934. (Sessional Papers No. 35.)

Also, Audit Report of the Ontario Athletic Commission for the period April 1, 1935, to March 31, 1936. (Sessional Papers No. 35.)

Also, Report of the Board of Governors of the University of Toronto for the year ending June 30, 1936. (Sessional Papers No. 12.)

Also, Return to an Order of the House dated March 19th, 1936, that there be laid before the House a Return showing: 1. The names of all Civil Servants who, since July 15, 1934, have received an increase in salary, perquisites, bonuses or grants; stating previous salary and amount of increase in each case. (Sessional Papers No. 40.)

Also, Return to an Order of the House dated April 6th, 1936, that there be laid before the House a Return showing: 1. What was the cost of operating the Mental Health Clinics of the Province for the twelve months ended March 31, 1935, as to the following items: (a) Salaries of physicians, social service workers, psychologists, psychometrists, clerks, stenographers, and all other employees; (b) Cost of automobiles and operation thereof including purchase of gasoline, oil, repairs and general maintenance; (c) Travelling expenses of employees mentioned in Section (a) herein. (Sessional Papers No. 39.)

Also, Return to an Order of the House dated April 6th, 1936, that there be laid before the House a Return showing: 1. To what Institutions, Departments, or branches, of the Government, giving the total amount in each case, did the following sell goods or services, for the periods ending: (a) March 31, 1935; (b) March 31, 1936: (1) M. Godfrey & Co.; (2) Dry Goods Specialty Co.; (3) Campbell Heating Co.; (4) Good Humour Food Products Co. (Sessional Papers No. 41.)

Also, Return to an Order of the House dated the 19th day of March, 1936, that there be laid before the House a Return showing: 1. The expenditures and revenues on ordinary and capital account for the months of February, 1935, to February, 1936. (Sessional Papers No. 43.)

Also, Return to an Order of this House dated April 3rd, 1936, that there be laid before this House a Return showing: What legal advisors or assistance, other than special Crown Prosecutors, has been engaged by this Government, or any of its boards or commissions since July 11, 1934, giving in each case the names, duties, salary per diem, duration of engagement, and the total amount paid to date to each person or persons and specifying if payment for services completed in each case. (Sessional Papers No. 42.)

## FRIDAY, FEBRUARY 26TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

The Order of the Day for the second reading of Bill (No. 50), The Dionne Quintuplet Guardianship Amendment Act, 1937, having been read,

And a Debate having arisen, after some time, it was on the motion of Mr. Henry,

Ordered, That the Debate be adjourned.

The House resolved itself into a Committee to consider Bill (No. 41), An Act to amend The Income Tax Act of Ontario, 1936, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 46), An Act to amend The Mining Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Report of the Liquor Control Board of Ontario for five months' fiscal period ending March 31, 1936. (Sessional Papers No. 20.)

Also, Return to an Order of the House dated April 6th, 1936, that there be laid before the House a Return showing: 1. How many incorporated companies are on the records of the Corporations Tax Branch of the Ontario Treasury Department. 2. How many of these companies were in arrears of taxes under The Ontario Corporations Tax Act, as of January 1, 1936. 3. What is the total amount of these arrears. 4. How many persons are employed in the Corporations Tax Branch of the Treasury Department. 5. What are the names, positions,

salaries, of each employee in this branch of the service. 6. How many persons were employed in the Ontario Public Service in connection with the administration of The Corporations Tax Act, as of July 11, 1934. (Sessional Papers No. 44.)

The House then adjourned at 3.45 p.m.

## MONDAY, MARCH 1st, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petition was brought up and laid upon the Table:-

By Mr. Baker, the Petition of the Municipal Corporation of the Township of North York.

The following Bills were severally introduced and read the first time:-

Bill (No. 52), intituled "An Act to amend the Department of Labour Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 2), intituled "An Act respecting the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie." Mr. Marceau.

Referred to the Committee on Private Bills.

Bill (No. 3), intituled "An Act to incorporate the Sisters of St. Joseph of the Diocese of Sault Ste. Marie." Mr. Marceau.

Referred to the Committee on Private Bills.

Bill (No. 11), intituled "An Act respecting the Pelee Island Co-operative Association." Mr. Wigle.

Referred to the Committee on Private Bills.

Bill (No. 53), intituled "An Act to amend The Children's Protection Act."

Mr. Hunter.

Ordered, That the Bill be read the second time to-morrow.

The following Bills were severally read the third time and were passed:—

1937

Bill (No. 44), An Act to amend The Employment Agencies Act.

Bill (No. 41), An Act to amend The Income Tax Act of Ontario, 1936.

Bill (No. 46), An Act to amend The Mining Act.

The following Bills were severally read the second time:-

Bill (No. 47), An Act to amend The Public Health Act.

Referred to the Committee on Municipal Laws.

Bill (No. 49), An Act to amend The Land Surveyors Act, 1931.

Referred to the Committee on Legal Bills.

Bill (No. 51), The Ontario Hairdressers and Barbers Association Repeal Act, 1937.

Referred to a Committee of the Whole House to-morrow.

The House resolved itself into a Committee to consider Bill (No. 42), An Act to amend The Corporations Tax Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 43), An Act to amend The Succession Duty Act, 1934, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report progress, and directed him to ask for leave to sit again.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Annual Report of the Temiskaming and Northern Ontario Railway Commission for year ending March 31, 1936. (Sessional Papers No. 23.)

Also, Report of the Ontario Research Foundation for the year ending December 31, 1936. (Sessional Papers No. 45).

The House then adjourned at 5.05 p.m.

## TUESDAY, MARCH 2ND, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were brought up and laid upon the Table:-

By Mr. Clark, the Petition of the Association of Professional Engineers.

By Mr. Newman, the Petition of the Municipality of Dysart.

The following Petition was read and received:-

Of the Municipal Corporation of the Township of North York, praying that an Act may pass confirming agreements between the Township and Armour Estates, Limited, and Loretto Ladies Colleges and Schools, to prohibit the carrying of guns or other firearms in the Township and for other purposes.

Mr. Newman, from the Standing Committee on Standing Orders, presented their Second Report which was read as follows and adopted:—

Your Committee has carefully examined the following Petitions and finds the notices as published in each case sufficient:—

Of the Municipal Corporation of the Township of Sarnia, praying that an Act may pass to validate and confirm a debenture by-law for the amount of \$33,280.64.

Of the Municipal Corporations of the City of Owen Sound and the County of Grey, praying that an Act may pass to validate an assessment equalization agreement and for other purposes.

Of the Municipal Corporation of the Township of Cornwall, praying that an Act may pass to confirm an agreement for a fixed assessment on the property of the Howard Smith Chemicals, Limited.

Of the Municipal Corporation of the Township of North York, praying that an Act may pass confirming agreements between the Township and Armour Estates, Limited, and Loretto Ladies Colleges and Schools, to prohibit the carrying of firearms in the Township and for other purposes.

Of the Municipal Corporation of the City of Hamilton, praying that an Act may pass to validate tax sales and to permit the Corporation to sell certain industrial lands.

Of the Municipal Corporation of the Township of East York, praying that an Act may pass to provide that there shall be no division of the Township for a stated period, to provide for the exemption from taxes of dwelling houses under certain conditions and for other purposes.

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Of the Municipal Corporation of the County of York, praying that an Act may pass authorizing the fixing of allowances to members of the County and Township Councils, to extend the jurisdiction of the Police Force and the Police Commissioners.

On the motion of Mr. Nixon (Brant), seconded by "Mr. Roebuck,

Ordered, That the name of Mr. P. M. Dewan, Oxford, be added to the Committee on Fish and Game.

The following Bills were severally introduced and read the first time:-

Bill (No. 10), intituled "An Act respecting the Township of Cornwall." Mr. Brownridge.

Referred to the Committee on Private Bills.

Bill (No. 54), intituled "An Act to amend The Voters' Lists Act. Mr. Strachan.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 55), intituled "An Act to amend The Conditional Sales Act." Mr. Kirby.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 56), intituled "An Act to amend The Municipal Act." Mr. Lawrence.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 57), intituled "An Act to amend The Fire Marshals Act." Mr. Schwenger.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 58), intituled "The Mortgagors' and Purchasers' Relief Act, 1937." Mr. Glass.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 59), intituled "An Act to amend The Jurors' Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 60), intituled "An Act to amend The Registry Act." Mr. Roebuck.

Ordered. That the Bill be read the second time to-morrow.

Bill (No. 61), intituled "An Act to amend The Division Courts Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 62), intituled "An Act to amend The County Courts Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 63), intituled "An Act to amend The General Sessions Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 64), intituled "An Act to amend The Municipal Act." Mr. Glass.

Ordered, That the Bill be read the second time to-morrow.

Mr. Nesbitt asked the following Question (No. 16):-

1. How many artisans, attendants, nurses, clerks and employees of all ranks other than medical officers have been transferred from one Ontario Hospital to another between April 2, 1936, and the present date. 2. What was the cost to the government of making these transfers.

The Honourable the Minister of Health replied as follows:-

1. 68. 2. \$1,305.33.

Mr. Kidd asked the following Question (No. 17):-

1. How many Medical Superintendents have been transferred from one Ontario Hospital to another from April 1, 1936, to date. 2. How many Medical Officers below the rank of Superintendent have been transferred from one Ontario Hospital to another from April 1, 1936, to date. 3. What was the cost to the government of transferring Medical Superintendents and Medical Officers below

the rank of Superintendent from one Ontario Hospital to another from April 2, 1936, to date.

The Honourable the Minister of Health replied as follows:-

1. 2. 2. 11. 3. \$157.75, Superintendents; \$119.25, Medical Staff.

Mr. Welsh asked the following Question (No. 18):-

1. How many Mental Health Clinics are in operation in conjunction with the Ontario Hospitals at date. 2. In connection with which hospitals are the Mental Health Clinics operating. 3. What are the names, titles and salaries of the officials operating the Mental Health Clinics of the Ontario Hospitals at date indicating the hospitals to which the officials are attached in each case and including psychologists, psychometrists, social service workers, stenographers and all other employees, in addition to the medical officer in charge, who are wholly or partly occupied with the work of the clinics. 4. What was the total cost of operating each Mental Health Clinic during the Fiscal Year ended March 31, 1936, including salaries of officials, travelling expenses and all other incidental expenses.

The Honourable the Minister of Health replied as follows:-

1. 5. 2. Brockville, Hamilton, Kingston, London, Whitby.

3. Brockville: Director—Dr. McLean Houze, \$2,550 per annum.
Psychologist—John B. Boyd, \$1,600 per annum.
Psychometrist—None.
Social Service Worker—Miss P.P.Parisien, \$1,200 per annum.
Stenographer—Miss Doris M. Bolton, \$975 per annum.

Hamilton: Director—Dr. H. R. Brillinger, \$2,400 per annum. Psychologist—Miss Nora Bowers, \$950 per annum. Psychometrist—None.

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Social Service Worker—Miss M. McCormick, \$1,200 per

Stenographer-Miss J. McClure, \$825 per annum.

Kingston: Director—Dr. A. M. Doyle, \$2,700 per annum.

Psychologist—Miss Mary Davidson, \$1,200 per annum.

Psychometrist—None.

Social Service Worker—Miss K. Carscallon, \$1,200 per annum.

Stenographer—Miss H. Lumb, \$975 per annum.

London: Director—Dr. A. E. McKercher, \$2,400 per annum.
Psychologist—Miss Ruth McConnell, \$1,400 per annum.
Social Service Workers—Miss T. Kirkland, \$1,600 per annum;
Miss Mary Doyle, \$1,125.

Stenographer—Miss Eleanor Ferguson, \$900.

3. Whitby: Director—Dr. J. D. Grieve, \$2,700 per annum. Psychologist-Miss E. M. Stapleford, \$1,200 per annum. Psychometrist—None.

Social Service Worker—Miss J. M. Matheson, \$1,050 per annum.

Stenographer—Miss M. M. Forman, \$825 per annum.

4. Brockville, \$7,403.24; Hamilton, \$5,680.70; Kingston, \$7,567.87; London, \$9.326.89; Whitby, \$5,940.70; New Toronto, \$6,965.87.

## Mr. Nesbitt asked the following Question (No. 19):-

1. For the twelve months ended March 31, 1936, how many persons were certified as mentally ill or mentally defective or epileptic and were hospitalized through the offices of the Mental Health Clinics and in addition how many received treatment at the hands of the Mental Health Clinics.

The Honourable the Minister of Health replied as follows:—

In all, 3,818 persons received treatment at the Mental Health Clinics, and 331 were hospitalized.

# Mr. Duckworth asked the following Question (No. 20):-

1. What were the total sales in the Liquor Control Board Stores for the calendar year 1936. 2. What was the retail value of beer sold from Breweries or Brewery Warehouses in the Province for the calendar year of 1936. 3. What was the amount of beer sold by the Breweries and Brewery Warehouses for resale in beverage rooms in Ontario during the calendar year 1936. 4. What were the total sales of native wines sold by the Wineries in the Province for the calendar year 1936.

The Honourable the Prime Minister replied as follows:

- 1. \$19,972,886.43.
- 2. \$12,065,403.25 (for home consumption).
- 3. \$18,814,262.35.
- 4. \$1,555,694.61 (not including sales to Liquor Control Board).

# Mr. Welsh asked the following Question (No. 21):-

1. (a) How many qualified Physicians were on the staff of the Health Section of the Department of Health on July 5th, 1934. (b) How many qualified Physicians were on the staff of the Health Section of the Department of Health on January 15th, 1937.

The Honourable the Minister of Health replied as follows:

1. (a) 27; (b) 24.

Mr. Welsh asked the following Question (No. 26):-

1. How many physicians, senior assistant physicians, graduate medical internes, medical internes and other medical internes were employed on January 1, 1937, at the Psychiatric Hospital, Toronto, with or without salary. 2. How many physicians from the Ontario Hospitals were on January 1, 1937, attached to the Psychiatric Hospital staff for additional psychiatric training or for any other purpose, giving the names of such officials and stating salary in each case. 3. What were the names and salaries of the persons referred to in (1) and where no salary was being paid, what emoluments did each receive by way of board, lodging and other perquisites and honoraria. 4. How many consultants were attached to the staff of the Psychiatric Hospital on January 1, 1937, and at what honoraria or other emolument. 5. What was the total number of patients admitted to the Psychiatric Hospital during the twelve months ended December 31, 1936 (a) from the City of Toronto; (b) from outside of the City of Toronto. 6. What was the average number of patients in the Psychiatric Hospital, Toronto, during the twelve months ended December 31, 1936. 7. What was the gross cost of operating the Psychiatric Hospital for the fiscal year ended March 31, 1936, and what was the gross revenue of the Hospital during the same period. 8. How many patients were examined in the outpatient clinic of the Psychiatric Hospital during the twelve months ended December 31, 1936. 9. What is now the average per capita cost per day of maintaining a patient in the Psychiatric Hospital, stating the period on which such cost is calculated.

The Honourable the Minister of Health replied as follows:

1. Four senior physicians with salaries; three medical internes without salaries. 2. Dr. C. V. Tisdale, \$2,400 per annum; Dr. W. A. Cardwell, \$2,550 per annum; Dr. G. A. Mellow, \$2,400 per annum. 3. Dr. C. B. Farrar, \$5,000 per annum; Dr. E. P. Lewis, \$4,400 per annum; Dr. S. G. Chalk, \$3,300 per annum; Dr. M. V. Jackson, \$2,400 per annum; L. Proctor, R. Gordon, Jessie McGeachy, receiving board, lodging, and laundry, valued at \$324 per annum each. 4. Six, at a total of \$140 per month. 5. 550 from City of Toronto; 57 from outside City of Toronto. 6. 58.8. 7. \$115,560.14 (gross cost); \$24,427.65 (gross revenue). 8. 1,630. 9. \$5.57 per capita gross; \$4.39 net, for fiscal year ended March 31, 1936.

Mr. Challies asked the following Question (No. 30):-

1. What was the total sale in the Liquor Control Board Store at Morrisburg for the calendar year 1936. 2. What was the total value of beer sold from the

Brewery Warehouse in Morrisburg for the calendar year of 1936. 3. What were the total sales of beverages sold by the Brewery Warehouse for resale in beverage rooms in Morrisburg for the calendar year 1936.

The Honourable the Prime Minister replied as follows:-

1. \$41,590.85. 2. \$64,843.90. 3. \$27,519.70 (included in Answer to No. 2).

The following Bill was read the third time and was passed:-

Bill (No. 42), An Act to amend The Corporations Tax Act.

The Order of the Day for resuming the Adjourned Debate on the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

The Debate was resumed and, after some time,

Mr. Elgie moved, seconded by Mr. Black,

That the Motion now before the House be amended by adding thereto the following words:—

"And that this House regrets that no assurance is given to the people of the Province of Ontario that chapter 4 of the Statutes of 1936, being An Act to amend The Assessment Act, will be repealed."

And a Debate arising,

And the House having continued to sit until Twelve of the Clock midnight, Wednesday, March 3rd, 1937,

The Debate continued, and after some time it was on the motion of Mr. Henry,

Ordered, That the Debate be adjourned.

The House then adjourned at 12.10 a.m.

### WEDNESDAY, MARCH 3RD, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petitions were read and received:-

Of the Association of Professional Engineers, praying that an Act may pass for the purpose of defining the term "Professional Engineer" and to restrict the practice to people possessing certain qualifications.

Of the Municipality of Dysart, praying that an Act may pass to provide that the Canadian Land and Investment Company of Haliburton, Limited, shall be jointly liable with the Dysart Land Company, Limited, for taxes due or to become due on the lands of the latter Company.

The following Bills were severally introduced and read the first time:-

Bill (No. 65), intituled "An Act to repeal The Radium Act." Mr. Leduc.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 66), intituled "The Village of Vienna Rural Power Act, 1937." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 67), intituled "The Power Contracts Validation Act, 1937." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 68), intituled "An Act to amend The County Judges Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 69), intituled "An Act to provide a Minimum Wage for Certain Male Workers in Lumber and Pulp Wood Camps." Mr. Rowlandson.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 8), intituled "An Act respecting the County of Grey and the City of Owen Sound. Mr. Patterson.

Referred to the Committee on Private Bills.

Bill (No. 23), intituled "An Act respecting the County of York." Mr. Gardhouse.

Referred to the Committee on Private Bills.

Bill (No. 70), intituled "An Act to encourage the Mining of Iron Ore." Mr. Leduc.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 71), intituled "An Act to amend The Mining Act." Mr. Rowlandson.

Ordered, That the Bill be read the second time to-morrow.

The House again resolved itself into a Committee to consider Bill (No. 43), An Act to amend The Succession Duty Act, 1934, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 51), The Ontario Hairdressers and Barbers Association Repeal Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Fulford reported, That the Committee had directed him to report progress, and directed him to ask for leave to sit again.

The following Bills were severally read the second time:-

Bill (No. 59), An Act to amend The Jurors' Act.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 60), An Act to amend The Registry Act.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 55), An Act to amend The Conditional Sales Act.

Referred to the Committee on Legal Bills.

Bill (No. 58), The Mortgagors' and Purchasers' Relief Act, 1937.

Referred to the Committee on Legal Bills.

Bill (No. 54), An Act to amend The Voters' Lists Act.

Referred to the Committee on Municipal Laws.

Bill (No. 61), An Act to amend The Division Courts Act.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 62), An Act to amend The County Courts Act.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 63), An Act to amend The General Sessions Act.

Referred to a Committee of the Whole House to-morrow.

The Order of the Day for resuming the Adjourned Debate on the Amendment to the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

The Debate was resumed and, after some time, it was on the motion of Mr. Baird,

Ordered, That the Debate be adjourned.

The House then adjourned at 11.55 p.m.

## THURSDAY, MARCH 4TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

Mr. Colter, from the Standing Committee on Private Bills, presented their first report which was read as follows and adopted:—

Your Committee beg to report the following Bills without amendment:—

Bill (No. 4), An Act respecting the Town of Kapuskasing.

Bill (No. 5), An Act respecting the City of Sarnia.

Your Committee beg to report the following Bills with certain amendments:—

Bill (No. 1), An Act respecting the Town of Leamington.

Bill (No. 6), An Act respecting the City of Toronto.

Bill (No. 15), An Act respecting the Town of Dundas.

The following Bills were severally introduced and read the first time:-

Bill (No. 72), intituled "An Act to amend The Minimum Wage Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 73), intituled "An Act to amend The Mechanics Lien Act." Mr. Colter.

Ordered, That the Bill be read the second time to-morrow.

The following Bills were severally read the second time:-

Bill (No. 68), An Act to amend The County Judges Act.

Referred to a Committee of the Whole House to-morrow.

Bill (No. 66), The Village of Vienna Rural Power Act, 1937.

Referred to a Committee of the Whole House to-morrow.

The House resolved itself into a Committee to consider Bill (No. 59), An Act to amend The Jurors' Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 60), An Act to amend The Registry Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 61), An Act to amend The Division Courts Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 62), An Act to amend The County Courts Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 63), An Act to amend The General Sessions Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The Order of the Day for resuming the Adjourned Debate on the Amendment to the Motion for consideration of the Speech of The Honourable the Lieutenant-Governor at the opening of the Session, having been read,

The Debate was resumed and after some time,

The Amendment to the Motion having been put was lost on the following Division:—

#### YEAS

Lancaster Lawrence Macaulay Murphy Nesbitt Welsh—16

Acres	Duckworth
Baird	Elgie
Black	Ellis
Challies	Henry
Craig	Kidd

#### NAYS

Allen Faulkner Anderson Freeborn Armstrong Glass Guthrie Asmussen Habel Avery Baker Heenan Ballantyne Hepburn Bethune Houck Blakelock Hunter Kellv Bowerman Bradley King Kirby Bragg Brownridge Lapierre Campbell Marceau Carr Marshall Colter Miller Croome Murray' Dewan McQuesten Dickson McVicar Duncan Newman

Nixon
(Brant

(Temiskaming)

Oliver Patterson Roberts Robertson Rowlandson Sangster Schwenger Simpson Sinclair

Smith Strachan Tanner Trottier Wigle—56

And the main Motion having been submitted was carried on the following Division:—

#### YEAS

Allen Anderson Armstrong Asmussen Avery Baker Ballantyne Bethune Blakelock Bowerman Bradley Bragg Brownridge Campbell Carr Colter Croome Dewan Dickson Duncan

Freeborn Glass Guthrie Habel Heenan Hepburn Houck Hunter Kelly King Kirby Lapierre Marceau Marshall Miller Murray McQuesten McVicar

Newman

Faulkner

Nixon (Brant)

Nixon

(Temiskaming)

Oliver Patterson Roberts Robertson Rowlandson Sangster Schwenger Simpson Sinclair

Smith Strachan Tanner Trottier Wigle—56

#### NAYS

Acres	Duckworth	Lancaster
Baird	Elgie	Lawrence
Black	Ellis	Macaulay
Challies	Henry	Murphy
Craig	Kidd	Nesbitt
Cruig	I I I I I	Welsh—16

And it was,

Resolved, That an humble Address be presented to The Honourable the Lieutenant-Governor of the Province of Ontario, as follows:—

To The Honourable Herbert Alexander Bruce, a Colonel in the Royal Army Medical Corps, F.R.C.S. (Eng.), Lieutenant-Governor of the Province of Ontario.

We, His Majesty's most dutiful and loyal subjects, the Legislative Assembly of the Province of Ontario, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has addressed to us.

The Address, having been read the second time, was agreed to.

Ordered, That the Address be engrossed and presented to The Honourable the Lieutenant-Governor by those Members of this House who are Members of the Executive Council.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Return to an Order of this House dated April 1st, 1936, That there be laid before this House a Return showing: All persons who have been dismissed, resigned or requested to resign, from positions under any Board or Commission under the jurisdiction of this Government, other than the Hydro-Electric Power Commission and the Ontario Liquor Control Board since July 11, 1934, and give in each case the Board or Commission, name, position, salary, and war service, if any. (Sessional Papers No. 46.)

Also, Return to an Order of this House dated April 1st, 1936, That there be laid before this House a Return showing: All persons who have been appointed to positions under any Board or Commission, under the jurisdiction of this Government other than the Hydro-Electric Power Commission, and the Ontario Liquor Control Board, since July 11, 1934, and giving in each case the Board or Commission, name, position, salary, and war service, if any. (Sessional Papers No. 47.)

## FRIDAY, MARCH 5TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

On motion by Mr. Hepburn, seconded by Mr. Nixon,

Resolved, That this House will on Tuesday next resolve itself into the Committee of Supply.

On motion by Mr. Hepburn, seconded by Mr. Nixon,

Resolved, That this House will on Tuesday next resolve itself into the Committee of Ways and Means.

The following Bills were severally introduced and read the first time:-

Bill (No. 74), intituled "An Act to amend The Surrogate Courts Act." Mr. Roebuck.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 75), intituled "An Act to amend The Power Commission Act." Mr. Roebuck.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 76), intituled "An Act to amend The Assessment Act." Mr. Kirby.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 77), intituled "An Act respecting the adoption of a Floral Emblem for the Province of Ontario." Mr. Gardhouse.

Ordered, That the Bill be read the second time on Monday next.

The following Bills were severally read the third time and were passed:-

Bill (No. 43), An Act to amend The Succession Duty Act, 1934.

Bill (No. 59), An Act to amend The Jurors' Act.

Bill (No. 60), An Act to amend The Registry Act.

Bill (No. 61), An Act to amend The Division Courts Act.

Bill (No. 62), An Act to amend The County Courts Act.

Bill (No. 63), An Act to amend The General Sessions Act.

The following Bills were severally read the second time:—

Bill (No. 57), An Act to amend The Fire Marshals Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 64), An Act to amend The Municipal Act.

Referred to the Committee on Municipal Laws.

Bill (No. 1), An Act respecting the Town of Learnington.

Referred to Committee of the Whole House on Monday next.

Bill (No. 4), An Act respecting the Town of Kapuskasing.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 5), An Act respecting the City of Sarnia.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 6), An Act respecting the City of Toronto.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 15), An Act respecting the Town of Dundas.

Referred to the Committee of the Whole House on Monday next.

The House resolved itself into a Committee to consider Bill (No. 68), An Act to amend The County Judges Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Schwenger reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 66), The Village of Vienna Rural Power Act, 1937, and, after some time spent therein

Mr. Speaker resumed the Chair; and Mr. Schwenger reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Comparative Statement of Legislative grants apportioned to the Rural, Public and Separate Schools in the Counties and Districts for the year 1935–36. (Sessional Papers No. 48.)

The House then adjourned at 4.30 p.m.

# MONDAY, MARCH 8th, 1937.

PRAYERS.

3 O'CLOCK P.M.

His Honour the Lieutenant-Governor entered the Chamber of the Legislative Assembly and took his Seat upon the Throne.

Mr. Speaker then addressed His Honour as follows:-

May it please Your Honour:

The Legislative Assembly of the Province has, at its present Sittings, passed certain Bills to which, on behalf and in the name of the said Assembly, I respectfully request Your Honour's Assent.

The Clerk Assistant then read the titles of the Acts that had passed as follows:—

An Act to provide for the Consolidation of the Statutes of Ontario.

An Act to amend The Interpretation Act.

An Act to amend The Statutes Act.

An Act to amend The Legislative Assembly Act.

An Act to repeal The Legislative Secretary for Northern Ontario Act.

An Act respecting the Prevention of Accidents by Fire in Hotels.

An Act to amend The Toronto General Hospital Act.

An Act to amend The Income Tax Act, Ontario, 1936.

An Act to amend The Corporations Tax Act.

An Act to amend The Succession Duty Act, 1934.

An Act to amend The Mining Act.

To these Acts the Royal Assent was announced by the Clerk of the Legislative Assembly in the following words:—

In His Majesty's name, His Honour the Lieutenant-Governor doth assent to these Acts.

His Honour was then pleased to retire.

The following Bills were severally introduced and read the first time:-

Bill (No. 78), intituled "An Act to amend The Workmen's Compensation Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 79), intituled "The Operating Engineers Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 80), intituled "An Act to amend The Apprenticeship Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 81), intituled "An Act respecting Municipal Employees Pensions." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

The following Bills were severally read the third time and were passed:-

Bill (No. 68), An Act to amend The County Judges Act.

Bill (No. 66), The Village of Vienna Rural Power Act, 1937.

The following Bills were severally read the second time:-

Bill (No. 56), An Act to amend The Municipal Act.

Referred to the Committee on Municipal Laws.

Bill (No. 53), An Act to amend The Children's Protection Act.

Referred to the Committee on Legal Bills.

Bill (No. 45), An Act to amend The Beach Protection Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 65), An Act to repeal The Radium Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 75), An Act to amend The Power Commission Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 52), An Act to amend The Department of Labour Act.

Referred to the Committee of the Whole House to-morrow.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of Bill (No. 50), The Dionne Quintuplet Guardianship Amendment Act, 1937, having been read,

The Debate was resumed and, after some time,

The Motion for Second Reading having been put was carried,

And the Bill was accordingly read the Second time and referred to the Committee of the Whole House to-morrow.

On the motion of Mr. Roberts, seconded by Mr. Lawrence:-

Ordered, That the Standing Committee on Privileges and Elections be called to meet forthwith for the purpose of investigating certain charges made on the floor of this House on Friday last against the Member for Sault Ste. Marie, and that the Committee be authorized to sit during the recess of the House and to hear witnesses and to report at the next Session of this House.

The House resolved itself into a committee, severally to consider the following Bills:—

Bill (No. 1), An Act respecting the Town of Leamington.

Bill (No. 4), An Act respecting the Town of Kapuskasing.

Bill (No. 5), An Act respecting the City of Sarnia.

Bill (No. 6), An Act respecting the City of Toronto.

Bill (No. 15), An Act respecting the Town of Dundas.

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the several Bills without amendments.

Ordered, That the Bills reported be severally read the third time to-morrow.

The House again resolved itself into a Committee to consider Bill (No. 51), The Ontario Hairdressers and Barbers Association Repeal Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House then adjourned at 5.50 p.m.

## TUESDAY, MARCH 9TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

Mr. Newman, from the Standing Committee on Standing Orders, presented their Third Report which was read as follows and adopted:—

Your Committee has carefully examined the following Petitions and finds the notices as published in each case sufficient:—

Of the Association of Professional Engineers, praying that an Act may pass for the purpose of defining the term "Professional Engineer" and to restrict the practice to people possessing certain qualifications.

Of the Municipal Corporation of the Town of Renfrew, praying that an Act may pass to validate the assessment rolls of the Petitioner made previous to January 1st, 1937.

Of the Municipal Corporation of the City of Brantford, praying that an Act may pass releasing from forfeiture under The Mortmain and Charitable Uses Act, certain properties sold by the Petitioners, to establish a reforestation commission and for other purposes.

Of the Municipal Corporation of the City of Oshawa, praying that an Act may pass to confirm the assessment rolls of the City.

Of the Municipal Corporation of the City of London, praying that an Act may pass authorizing the issue of debentures to the amount of \$370,398.78, to exempt the property of the London and Port Stanley Railway from taxation and to validate tax sales.

Of the Municipal Corporation of the City of Belleville, praying that an Act may pass authorizing a reduction in the membership of the City Council, the appointment of a City Manager and to establish a Public Utilities Commission.

Of the Municipal Corporation of the City of St. Catharines, praying that an Act may pass validating the title of the Petitioners to certain lands and to remove the civic gas plant from the control of the Public Utilities Commission.

Of George Newcombe Gordon, of the City of Peterborough, praying that an Act may pass terminating a lease of lands by the Corporation of the City of Peterborough to the Canadian General Electric Company and terminating fixed assessments granted by the said Corporation to the De Laval Company, Limited, and for other purposes.

Of the Municipal Corporation of the Village of Forest Hill, praying that an Act may pass incorporating the said Village as a City, to validate a certain by-law and for other purposes.

Of the Municipal Corporation of the City of Ottawa, praying that an Act may pass to authorize a debenture by-law of \$200,000.00, and to ratify a certain agreement and assessments.

Of the Municipality of Dysart, praying that an Act may pass to provide that the Canadian Land and Immigration Company of Haliburton, Limited, shall be jointly liable with the Dysart Land Company, Limited, for taxes due or to become due on the lands of the latter company.

Mr. Colter, from the Standing Committee on Private Bills, presented their Second Report which was read as follows and adopted:-

Your Committee beg to report the following Bills without amendment:-

Bill (No. 2), An Act respecting the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie.

Bill (No. 3), An Act to incorporate the Sisters of St. Joseph of the Diocese of Sault Ste. Marie.

Bill (No. 10), An Act respecting the Township of Cornwall.

Bill (No. 11), An Act respecting the Pelee Island Co-operative Association.

Your Committee would recommend that the fees, less the penalties and the actual cost of printing be remitted on Bill (No. 2), "An Act respecting The Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie,"

and on Bill (No. 3), "An Act to incorporate the Sisters of St. Joseph of the Diocese of Sault Ste. Marie," on the ground that they relate to religious institutions.

Ordered, That the fees, less the penalties and the actual cost of printing, be remitted on Bill (No. 2), "An Act respecting The Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie," and on Bill (No. 3), "An Act to incorporate the Sisters of St. Joseph of the Diocese of Sault Ste. Marie," on the ground that they relate to religious institutions.

The following Bills were severally introduced and read the first time:-

Bill (No. 82), intituled "An Act to amend The Lunacy Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 83), intituled "An Act to amend The Devolution of Estates Act. Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 84), intituled "An Act to amend The Married Women's Property Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 9), intituled "An Act respecting the Association of Professional Engineers." *Mr. Clark*.

Referred to the Committee on Private Bills.

Bill (No. 7), intituled "An Act respecting the Township of Sarnia." Mr. Guthrie.

Referred to the Committee on Private Bills.

Bill (No. 14), intituled "An Act respecting the Town of Renfrew." Mr. Murray.

Referred to the Committee on Private Bills.

Bill (No. 16), intituled "An Act respecting the City of Hamilton." Mr. Schwenger.

Referred to the Committee on Private Bills.

Bill (No. 17), intituled "An Act respecting the City of Brantford." Mr. MacBride.

Referred to the Committee on Private Bills.

Bill (No. 18), intituled "An Act respecting the City of Oshawa." Mr. Sinclair (Ontario).

Referred to the Committee on Private Bills.

Bill (No. 19), intituled "An Act respecting the City of London." Mr. Duncan.

Referred to the Committee on Private Bills.

Bill (No. 20), intituled "An Act respecting the City of Belleville." Mr. Carr,

Referred to the Committee on Private Bills.

Bill (No. 21), intituled "An Act respecting the Township of East York." Mr. Henry.

Referred to the Committee on Private Bills.

Bill (No. 22), intituled "An Act respecting the City of St. Catharines." Mr. Avery.

Referred to the Committee on Private Bills.

Bill (No. 24), intituled "An Act respecting the City of Peterborough."

Mr. Baker.

Referred to the Committee on Private Bills.

Bill (No. 26), intituled "An Act respecting the Village of Forest Hill." Mr. Macaulay.

Referred to the Committee on Private Bills.

Bill (No. 27), intituled "An Act respecting the City of Ottawa." Mr. Ellis.

Referred to the Committee on Private Bills.

Bill (No. 28), intituled "An Act respecting the Municipality of Dysart."

Mr. Newman.

Referred to the Committee on Private Bills.

Mr. Hepburn delivered to Mr. Speaker a message from The Lieutenant-Governor, signed by himself; and the said message was read by Mr. Speaker, and is as follows:—

# HERBERT ALEXANDER BRUCE

The Lieutenant-Governor transmits Estimates of certain sums required for

the service of the Province for the year ending 31st March, 1938, and recommends them to the Legislative Assembly.

GOVERNMENT HOUSE,

Toronto, March 9th, 1937.

(Sessional Papers No. 2.)

Ordered. That the message of The Lieutenant-Governor, together with the Estimates accompanying the same, be referred to the Committee of Supply.

The Order of the Day for the House to resolve itself into the Committee of Supply having been read,

Mr. Hepburn moved,

That Mr. Speaker do now leave the Chair and that the House do resolve itself into the Committee of Supply.

And a Debate having ensued, it was, on the motion of Mr. Ellis.

Ordered, That the Debate be adjourned until Thursday next.

The House then adjourned at 4.55 p.m.

# WEDNESDAY, MARCH 10th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Bills were severally introduced and read the first time:-

Bill (No. 85), intituled "The Shallow Lake and Tiverton Rural Power Act, 1937." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 86), intituled "An Act to amend The Mothers' Allowances Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 87), intituled "An Act to amend The Old Age Pensions Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 88), intituled "The Municipal Subsidy Act, 1937." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 89), intituled "An Act to amend The Assessment Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 90), intituled "An Act to amend The Industrial Standards Act, 1933," Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 91), intituled "The Dairy Products Amendment Act." Mr. Marshall.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 92), intituled "An Act respecting Plant Diseases and Insects." Mr. Marshall.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 93), intituled "An Act respecting the Grading of Farm Products."

Mr. Marshall.

Ordered, That the Bill be read the second time to-morrow.

The following Bills were severally read the third time and were passed:—

Bill (No. 1), An Act respecting the Town of Leamington.

Bill (No. 4), An Act respecting the Town of Kapuskasing.

Bill (No. 5), An Act respecting the City of Sarnia.

Bill (No. 6), An Act respecting the City of Toronto.

Bill (No. 15), An Act respecting the Town of Dundas.

Bill (No. 51), The Ontario Hairdressers and Barbers Association Repeal Act, 1937.

On motion of Mr. Challies, seconded by Mr. Black,

Ordered, That there be laid before this House a Return showing: All letters, memoranda, contracts, statements and data of whatsoever nature between any Department of the Government and the Ontario Reformatory at Guelph and

also between any Department of the Government, the Floyd Transport Company and any other Transport Company having any bearing upon the transport of products between the Ontario Reformatory at Guelph and any other Public Institution or Institutions.

The Order of the Day for the second reading of Bill (No. 69), An Act to provide a Minimum Wage for certain male workers in Lumber and Pulpwood Camps, having been read,

Ordered, That the Order be discharged, and that the Bill be withdrawn.

The following Bills were severally read the second time:-

Bill (No. 73), An Act to amend The Mechanics' Lien Act.

Referred to the Committee on Legal Bills.

Bill (No. 76), An Act to amend The Assessment Act.

Referred to the Committee on Municipal Law.

Bill (No. 77), An Act respecting the adoption of a Floral Emblem for the Province of Ontario.

Referred to the Committee on Agriculture and Colonization.

Bill (No. 2), An Act respecting the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 3), An Act to incorporate the Sisters of St. Joseph of the Diocese of Sault Ste. Marie.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 10), An Act respecting the Township of Cornwall.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 11), An Act respecting the Pelee Island Co-operative Association.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 74), An Act to amend The Surrogate Courts Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 78), An Act to amend The Workmen's Compensation Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 82), An Act to amend The Lunacy Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 83), An Act to amend The Devolution of Estates Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 84), An Act to amend The Married Women's Property Act.

Referred to the Committee of the Whole House to-morrow.

The House resolved itself into a Committee to consider Bill (No. 57), An Act to amend The Fire Marshals Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 75), An Act to amend The Power Commission Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 52), An Act to amend The Department of Labour Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 65), An Act to repeal The Radium Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 45), An Act to amend The Beach Protection Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report progress, and to ask for leave to sit again.

Resolved, That the Committee have leave to sit again to-morrow.

Mr. Hepburn laid on the Table certain Interim Statements of the Finances of the Province for the year ending March 31st, 1937. (Sessional Papers No. 49.)

The House then adjourned at 5.35 p.m.

## THURSDAY, MARCH 11th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Bills were severally introduced and read the first time:-

Bill (No. 94), intituled "An Act to amend The Assessment Act." Mr. MacBride.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 95), intituled "An Act to amend The Municipal Act." Mr. Smith.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 96), intituled "An Act to repeal Chapter 4 of the Statutes of Ontario, 1936. Mr. Henry.

Ordered, That the Bill be read the second time to-morrow.

Mr. Nesbitt asked the following Question (No. 22):-

1. (a) How many qualified Physicians were on the staff of the Hospitals Section of the Department of Health on July 5th, 1934; (b) How many of these Physicians were on the inside staff and how many on the outside staff; (c) How many qualified Physicians were on the staff of the Hospitals Section of the Department of Health on January 15th, 1937.

The Honourable the Minister of Health replied as follows:-

1. (a) 75; (b) Inside staff, 4; Outside staff, 71; (c) 77.

## Mr. Nesbitt asked the following Question (No. 23):-

1. Who are the Stewards or Acting Stewards at the Ontario Hospitals at Hamilton, Penetanguishene and Kingston, giving date of appointment of each, the names of all persons who recommended them for their present positions, their commencing salaries and their present salaries and if on appointment in any case the minimum commencing salary was exceeded, stating the reason therefor. 2. Why was the long established practice of promoting competent and deserving employees within the Department ignored in these cases.

The Honourable the Minister of Health replied as follows:-

1. Hamilton—Gleeson, Gerald P., appointed August 1, 1936. Recommended by Minister of Health; commencing salary, \$2,000.

Penetang—McLaughlin, R. S., appointed March 11, 1935; recommended by Minister of Health; commencing salary, \$1,600.

Kingston—Wartman, Charles R., appointed September 10, 1934; recommended by Minister of Health; commencing salary, \$2,100. (None of the above commencing salaries exceeds the minimum).

2. Mr. Gleeson was promoted from the position of storekeeper to that of Steward.

# Mr. Challies asked the following Question (No. 27):-

1. How many convictions have been executed in each district of the Province under the Department of Game and Fisheries for infractions of Game Laws since March 1st, 1936. 2. Was the conviction in each case as a result of Provincial Police or Game Warden supervision. 3. What was the total amount paid by the Department of Game and Fisheries to any other Department of the Government for enforcement of Fish and Game laws since March 1st, 1936.

The Honourable the Provincial Secretary replied as follows:-

1. and 2.—				
Districts	Game and Fisheries Officers	Ontario Provincial Police	G. and F. Officers and O.P.P.	Total
No. 1	633	58	32	723
No. 2	194	2	3	199 46
No. 3	42	4		
otal cand Total—968	869	64	35	968

3. \$1,006.05.

To

Mr. Challies asked the following Question (No. 42):-

1. How many plebiscites have been taken in the Province of Ontario since April 12, 1935, on the question of establishing or closing beverage rooms in the respective localities. 2. What were these localities. 3. What was the result in each case.

# The Honourable the Prime Minister replied as follows:-

1. 29.

2.		3.
Matheston, Town	Dry	Unchanged
Bexley, Township	Wet	Unchanged
Bobcaygeon, Town	Dry	Unchanged
Minden Township	Dry	Changed (Declared invalid)
Anson and Hinton Townships	Wet	Unchanged
Port Perry, Village	Dry	Unchanged
Erieau, Village	Wet	Changed
Charlottenburg, Township	Dry	Unchanged
Beeton, Village	Drv	Unchanged
Markdale, Village	Dry	Changed
Richmond Hill, Village	Dry	Unchanged
Fenelon Falls, Village	Dry	Changed
Wardsville, Village	Dry	Unchanged
Arkona, Village	Drv	Unchanged
Norwich, Village	Drv	Unchanged
Newbury, Village	Dry	Unchanged
Erin, Village	Wet	Unchanged
Newmarket, Town	Drv	Unchanged
Mara, Township	Wet	Unchanged
Peterborough, City	Wet	Unchanged
Lakefield, Village	Drv	Unchanged
Lindsay, Iown	Wet	Unchanged
Schreiber, Township	Drv	Unchanged
Drayton, Village	Drv	Changed
Somerville, Township	Drv	Unchanged
Ingersoll, I own	Drv	Unchanged
Beaverton, Village	Drv	Unchanged
west Flamboro, Township	1) 1777	Unchanced
Parkhill, Town	Dry	Unchanged

# Mr. Duckworth asked the following Question (No. 48):-

1. Has the Attorney-General or any official of the Attorney-General's Department issued any instructions or suggested any line of procedure to any Magistrate, Crown Attorney or to any other public official in the matter of prosecutions and procedure in case of conviction of any member or members of religious orders arising out of failure or refusal to pay Poll Tax, and if so what was the nature of such instructions or what line of procedure was suggested.

The Honourable the Attorney-General replied as follows:—

1. No.

Mr. Welsh asked the following Question (No. 53):-

1. How many Mothers' Allowance Pensions were reduced in 1936. 2. How many Old Age Pensions were reduced in 1936.

The Honourable the Minister of Public Welfare replied as follows:-

1. 2349—(This figure includes deductions for children who have reached their sixteenth birthday and children under sixteen who have discontinued their schooling. Changes of rate because of removal from city to county and reductions due to elder members of the family entering employment are also included.) 2. 109.

Mr. Kidd asked the following Question (No. 56):-

1. What is the total amount of money collected from estates of deceased Old Age Pensioners since July, 1934. 2. What amounts thus collected have been credited or rebated to (a) Dominion Government; (b) Counties.

The Honourable the Prime Minister and Provincial Treasurer replied as follows:—

1. \$216,752.97. 2. (a) \$148,515.76; (b) \$26,188.02. (These figures are to January 31, 1937).

Mr. Acres asked the following Question (No. 57):-

1. How many legally constituted meetings have been held by the Ontario Milk Control Board since July, 1934. 2. Are minutes kept of each meeting; if so, by whom.

The Honourable the Minister of Agriculture replied as follows:-

1. 182. 2. Yes. By Secretary of Board.

Mr. Heighington asked the following Question (No. 62):-

1. What official, under the direction of the Honourable the Minister of Lands and Forests, is in charge of the timber sales of the Province. 2. Is the advice of the Provincial Forester secured and does he make a report with respect to each timber sale.

The Honourable the Minister of Lands and Forests replied as follows:-

1. The Deputy Minister of Lands and Forests. 2. Yes, where required, but each sale of timber is consummated after the District Forester of the territory in which area is located has submitted report with estimate.

Mr. Acres asked the following Question (No. 66):-

1. Has the Department of Agriculture refused to purchase, or to grant authority for the purchase of any farm machinery or other machinery for use at the Ontario Agricultural College at Guelph since July 11, 1934, and if so,

state particulars. 2. Has the Department of Agriculture, since this Government took office, refused to purchase or to grant authority to purchase any equipment other than machinery for use at the Ontario Agricultural College at Guelph, and if so, state particulars.

The Honourable the Minister of Agriculture replied as follows:—

1. No. 2. No.

Mr. Acres asked the following Question (No. 68):-

1. Is it true, as reported in the press that Mr. R. J. Moore, representing the Department of Municipal Affairs, ordered the Municipal Council of the Town of Hawkesbury to pass a by-law, and threatened if they did not, he would have it passed himself. 2. If so, upon what authority could an employee of the Department pass such a by-law.

The Honourable the Minister of Public Welfare replied as follows:—

1. This municipality being in default, and the Department charged with the supervision of its financial operations, notified Council that full provision must be made in their budget for their anticipated expenditures in 1936. The Council refused to make adequate provision and the Department of Municipal Affairs enacted the necessary by-law. 2. Under part 4 of The Ontario Municipal Board Act, enacted in the year 1932, and later transferred to the Department under part 3 of The Department of Municipal Affairs Act, 1935.

Mr. Kidd asked the following Question (No. 77):-

1. Is it true as reported in the press of January 15th, 1937, that relief grants to the City of Brantford for 1936 amounts to \$46,993.00 over those of 1935.

2. If not, what is the excess, if any. 3. Upon what considerations are such increases made.

The Honourable the Minister of Public Welfare replied as follows:

1. No. 2. A reduction of \$122,842.06. 3. Answered by 2.

Mr. Craig asked the following Question (No. 83):—

1. Was Mr. L. S. Hagerdorn suspended from his position in the Ontario Public Service as Supervisor of purchasing for the unemployment relief branch.

2. Why was he suspended. 3. Was Mr. L. S. Hagerdorn discharged from the Ontario Public Service, and if so, upon what date; and for what reasons.

The Honourable the Minister of Public Welfare replied as follows:-

1. Yes. 2. Dereliction of duty. 3. Yes. August 8th, 1935. For dereliction of duty.

Mr. Craig asked the following Question (No. 84):-

1. Who is the Deputy Minister of Municipal Affairs. 2. With what functions of the Department is he entrusted. 3. Do the supervisors employed in the Department of Municipal Affairs work under the directions of the Deputy Minister. 4. What are the names of the supervisors in the Department of Municipal Affairs, who are in charge of supervised municipalities giving names, salaries and municipality in which they are in charge. 5. What, if any, are the special qualifications of the above-mentioned supervisors, and what experience, if any, have each had as members of any municipal council.

The Honourable the Minister of Public Welfare replied as follows:

1. Mr. H. L. Cummings. 2. Similar to those exercised by the Deputy Minister of any Department of the Government. 3. Yes. 4. Alfred J. B. Gray, salary \$4,000, supervising the City of Sudbury, Towns of Sturgeon Falls, Blind River, Midland, Penetanguishene, Weston, New Toronto, Mimico and Leaside, Village of Long Branch and Townships of York, East York, North York, Scarborough, Etobicoke, Calvert and Dysart. Reuben J. Moore, salary \$4,000, supervising cities of Windsor and Niagara Falls, Towns of Riverside, Tecumseh, Lasalle, Leamington, Kingsville, Essex, Fort Erie, Thorold, Eastview, Hawkesbury, Rockland, Pembroke and Trenton, Townships of Sandwich East and Sandwich West. 5. Both officials appointed to the Department because of their special training in supervision of defaulting municipalities, having been members and executive secretaries of Committees of Supervisors, appointed by the Ontario Municipal Board during the Henry administration. Mr. A. J. B. Gray was formerly Reeve of York Township, a Commissioner and a member of the County Council of the County of York. Mr. R. J. Moore was formerly an alderman of the City of East Windsor.

Mr. Elgie asked the following Question (No. 94):-

1. How many Orders-in-Council have been passed by the Government from March 18, 1935, to date.

The Honourable the Prime Minister replied as follows:-

For answer relating to Orders-in-Council passed from March 1st, 1935, to January 31st, 1936, see Journals 1936, page 56. From February 1st, 1936, to March 10th, 1937, the number of Orders-in-Council passed totals 1,520. This compares with 3,198 orders passed in 1933, the last complete year of the Conservative Government.

The Order of the Day for resuming the Adjourned Debate on the Motion that Mr. Speaker do now leave the Chair, and that the House resolve itself into the Committee of Supply, having been read,

The Debate was resumed,

And after some time it was on the motion of Mr. Heighington,

Ordered, That the Debate be adjourned until Tuesday next.

The following Bill was read the second time:-

Bill (No. 72), An Act to amend The Minimum Wage Act.

Referred to the Committee of the Whole House to-morrow.

The House then adjourned at 11.00 p.m.

## FRIDAY, MARCH 12TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petition was brought up and laid upon the Table:-

By Mr. Lawrence, the Petition of Local Union No. 796, of the International Union of Stationary Operating Engineers.

The following Bills were severally introduced and read the first time:-

Bill (No. 97), intituled "An Act to amend The Highway Traffic Act." Mr. Clark.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 98), intituled "An Act to amend The Execution Act." Mr. Clark.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 99), intituled "An Act to amend The Landlord and Tenant Act." Mr. Clark.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 100), intituled "An Act to amend The Dog Tax and Live Stock Protection Act." Mr. Kelly.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 29), intituled "An Act to amend The Municipal Drainage Act." Mr. McVicar.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 101), intituled "The Burlington Beach Act, 1937." Mr. Croll.

Ordered, That the Bill be read the second time on Monday next.

Bill (No. 102), intituled "The Municipal Amendment Act, 1937." Mr. Croll.

Ordered, That the Bill be read the second time on Monday next.

The following Bills were severally read the third time and were passed:—

Bill (No. 57), An Act to amend The Fire Marshals Act.

Bill (No. 75), An Act to amend The Power Commission Act.

Bill (No. 52), An Act to amend The Department of Labour Act.

Bill (No. 65), An Act to repeal The Radium Act.

The following Bills were severally read the second time:—

Bill (No. 95), An Act to amend The Municipal Act.

Referred to the Committee on Municipal Law.

Bill (No. 85), The Shallow Lake and Tiverton Rural Power Act, 1937.

Referred to the Committee of the Whole House on Monday next.

The Order of the Day for the second reading of Bill (No. 67), The Power Contracts Validation Act, 1937, having been read,

And a Debate arising,

After some time, it was on the motion of Mr. Challies,

Ordered, That the Debate be adjourned.

The House again resolved itself into a Committee to consider Bill (No. 45), An Act to amend The Beach Protection Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 74), An Act to amend The Surrogate Courts Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 82), An Act to amend The Lunacy Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 83), An Act to amend The Devolution of Estates Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee, severally to consider the following Bills:—

Bill (No. 2), An Act respecting the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie.

Bill (No. 3), An Act to incorporate the Sisters of St. Joseph of the Diocese of Sault Ste. Marie.

Bill (No. 10), An Act respecting the Township of Cornwall.

Bill (No. 11), An Act respecting the Pelee Island Co-operative Association.

Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the several Bills without amendments.

Ordered, That the Bills reported, be severally read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 84), An Act to amend The Married Women's Property Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House then adjourned at 5.25 p.m.

## MONDAY, MARCH 15th, 1937.

PRAYERS.

3 O'CLOCK P.M.

The following Petition was read and received:-

Of the Local Union No. 796 of the International Union of Stationary Operating Engineers, praying that an investigation be ordered by the Legislative Assembly into the operations of the Engineering Branch of the Department of Labour.

The following Bills were severally introduced and read the first time:-

Bill (No. 103), intituled "An Act to amend The Game and Fisheries Act." Mr. Nixon (Brant).

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 104), intituled "An Act to amend The Tile Drainage Act, 1929." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 105), intituled "The Settlers Pulpwood Protection Act." Mr. Heenan.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 106), intituled "The School Law Amendment Act, 1937." Mr. Simpson.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 30), intituled "An Act to amend The Municipal Act." Mr. Glass.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 107), intituled "An Act to amend The Provincial Parks Act."

Mr. Heenan.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 108), intituled "An Act to amend The Pharmacy Act." Mr. Faulkner.

Ordered, That the Bill be read the second time to-morrow.

## Mr. Black asked the following Question (No. 1):-

1. What system or systems secured power from the Chats Falls plant during 1936, and what was the 20-minute peak in h.p. per month in each case. 2. What system or systems were charged for the carrying charges of the frequency charger at the Chats Falls plant and what was the yearly charge and how allocated.

The Honourable the Attorney-General replied as follows:-

1. Niagara 25-cycle system and Eastern Ontario System 20-minute peak in h.p. per month—

1936	Niagara System	Eastern Ontario System
January	114,611 h.p.	53,619 h.p.
February	115,282	0
March	111,930	0
April		0
May		0
June		0
July		19,437
August		17,426
September	113,941	16,756
October	116,622	16,086
November	115,952	0
December	117,962	0

2. Niagara System—Yearly charge ended October 31st, 1936, allocated as follows:

Interest at 4.67% (approximate average rate)	\$43,065.43 6,916.29 9,710.47 3,860.50
Total	\$63,552.69

# Mr. Lancaster asked the following Question (No. 2):

1. How many contracts have been entered into to date by the Hydro-Electric Power Commission for the sale of power from the Abitibi Canyon Power Development during 1936. 2. What was the maximum primary peak each month for power delivered by this plant during 1936. 3. What was the combined primary and secondary peak each month for same period. 4. What was the revenue received from customers served by the Abitibi Canyon Development for the Hydro year 1936. 5. What are: (a) operating expenses; (b) maintenance cost; (c) interest charges; (d) other current expenses, for the same period. 6. What are the reserves for renewals and contingencies for the same period.

157,507

# The Honourable the Attorney-General replied as follows:-

### 1. 30 contracts.

2.—	1936	Abitibi District Total Primary	1936	Abitibi District Total Primary
	January	. 58,915 h.p.	July	57,641 h.p.
	February		August	
	March		September	
	April	50,268	October	
	May	. 50,938	November	75,067
	June	. 61,126	December	73,727
3.—	1936		Tota	l Abitibi District
			Primar	y and Secondary
	January			134,652 h.p.
	February			
	March			
	April			
	May			
	June			
	July			
	August			
	October			146,783
	November			158,579
				4 5 5 5 6 5

4. \$1,411,107.22. 5. (a) \$155,400.36; (b) \$109,609.13; (c) \$930,622.22; (d) \$689.30.

6. Reserves for renewals—\$188,750.34; Reserves for contingencies—Nil.

December.....

# Mr. Murphy asked the following Question (No. 3):-

1. When was R. S. Robertson, K.C., engaged by the Hydro-Electric Power Commission, or this Government. 2. How much has been paid to date for his services. 3. How much is still to be paid for his services.

The Honourable the Attorney-General replied as follows:-

1.—Hamilton Street Railway Taxi Competition,	Date
Rex v. Altobelli AppealSep	ot. 10/34
Reid v. Christie	y 9/35
Maple Leaf Milling CoNo	v. 6/34
Ottawa Valley Power CoJar	1. $22/30$
Beauharnois Power CorporationFe	0. 15/30
Abitibi Power & Paper CoJar	1. 23/30

<sup>2. \$14,034.50. 3.</sup> No outstanding bills.

# Mr. Duckworth asked the following Question (No. 4):-

1. What amount of insurance was carried on the Stinson Wahnapitae Hydro-Electric Power plant destroyed by fire in September, 1936. 2. In what company or companies was policy carried, and what was the total estimated loss.

The Honourable the Attorney-General replied as follows:-

1. \$75,000.00. 2. (a) Quebec Fire Assurance Company, and Union Assurance Society Limited of London, England; (b) \$58,490.00.

# Mr. Challies asked the following Question (No. 7):-

1. What was the total peak power sold on the Niagara System, inclusive of power used for steam production, export power, contractual obligations and peak demand, for the following months: January, 1935; November, 1935; December, 1936; December, 1936.

The Honourable the Attorney-General replied as follows:-

1.—	Niagara 25 and	60-Cycle Syst	em
	Generated and		Total including Con-
	Purchased Peak	Obligations	tractual Obligations
January, 1935	1,334,048 h.p.	36,000 h.p.	1,370,048 h.p.
November, 1935	1,125,871	24,000	1,149,871
December, 1935	1,140,750	28,000	1,168,750
November, 1936	1,099,196	21,000	1,120,196
December, 1936	1,119,437	22,000	1,141,437

Contractual obligations is an estimated figure and represents the total contractual obligations to companies supplied by the Commission in excess of power actually taken by them.

# Mr. Challies asked the following Question (No. 13):—

1. What was the 20-minute peak demand for electric energy in 60-cycle power for the Eastern Ontario system per month following months, December, 1935, and each month for calendar year of 1936. 2. What was the total amount paid for power for these months.

The Honourable the Attorney-General replied as follows:-

#### 1.---

1.	
December, 1935	124,873 h.p.
January, 1936	122,011
February	114,859
March	112,808
April	108,921
May	114,082
June	112,855
July	102,688
August	106,240
September	111,414
October	117,969
November	124,129
December	125,999
2.—	
2.—	
<del></del>	\$71,922.76
December, 1935	
<del></del>	71,969.35
December, 1935	71,969.35 71,111.99
December, 1935	71,969.35 71,111.99 71,073.80
December, 1935	71,969.35 71,111.99 71,073.80 71,286.32
December, 1935	71,969.35 71,111.99 71,073.80 71,286.32 71,683.86
December, 1935  January, 1936  February  March  April  May	71,969.35 71,111.99 71,073.80 71,286.32 71,683.86 71,446.30
December, 1935	71,969.35 71,111.99 71,073.80 71,286.32 71,683.86 71,446.30 69,735.60
December, 1935	71,969.35 71,111.99 71,073.80 71,286.32 71,683.86 71,446.30 69,735.60 79,068.52 74,700.15
December, 1935	71,969.35 71,111.99 71,073.80 71,286.32 71,683.86 71,446.30 69,735.60 79,068.52 74,700.15 73,468.13
December, 1935. January, 1936. February March. April May June July August September	71,969.35 71,111.99 71,073.80 71,286.32 71,683.86 71,446.30 69,735.60 79,068.52 74,700.15 73,468.13 71,905.30
December, 1935. January, 1936. February. March. April. May. June. July August. September. October.	71,969.35 71,111.99 71,073.80 71,286.32 71,446.30 69,735.60 79,068.52 74,700.15 73,468.13 71,905.30

# Mr. Welsh asked the following Question (No. 24):-

1. When were the services of Mr. G. Holton, Steward at the Ontario Hospital, Hamilton, terminated and why. 2. Did Mr. Holton resign voluntarily; was he asked to resign or was he dismissed. 3. Why was he appointed at the maximum instead of the minimum salary for the position of Steward at the Ontario Hospital, Hamilton. 4. Is Mr. Holton now otherwise employed in the public service and if so what is his present position and salary.

The Honourable the Minister of Health replied as follows:-

1. August 11, 1936, services not satisfactory. 2. Asked to resign. 3. Salary based on qualifications. 4. No.

# Mr. Acres asked the following Question (No. 25):-

1. What was the total number of patients on January 1, 1937—(a) in residence in the Ontario Hospitals; (b) on probation from the Ontario Hospitals; (c) in boarding out homes under Ontario Hospital supervision; (d) to whom admission had been awarded but who had not actually been admitted. 2. How many applications for the admission of patients to the Ontario Hospital, Orillia, were on file on January 1, 1937, which could not be dealt with because of lack of accommodation. 3. How many applications for the admission of patients to the Ontario Hospital, Woodstock, were on file on January 1, 1937, which could not be dealt with because of lack of accommodation. 4. How many applications for the admission of patients to Ontario Hospitals other than Orillia and Woodstock were on file on January 1, 1937, which could not be dealt with because of lack of accommodation.

The Honourable the Minister of Health replied as follows:-

1. (a) 12,841; (b) 960; (c) 422; (d) 67. 2. 1,143. 3. 13. 4. 80.

## Mr. Henry asked the following Question (No. 37):-

1. What amount was paid during the fiscal year ending March 31, 1936, by the Hydro-Electric Power Commission of Ontario for electric lamps. 2. From what companies, firms and individuals were such purchases made, giving addresses and amount of purchase in each case. 3. Where were the lamps manufactured and who were the manufacturers in each case.

The Honourable the Attorney-General replied as follows:-

1. \$122,494.59. 2. The Solex Company Limited, Toronto. 3. Montreal—The Solex Company Limited.

# Mr. Challies asked the following Question (No. 38):-

1. Does the Liquor Control Board require that separate beverage rooms be maintained in Standard Hotels for men and for women. 2. If so, are any exceptions made to the rule or regulation and with respect to what hotels does the abrogation of such rule or regulation apply, and why.

The Honourable the Prime Minister replied as follows:-

1. Yes. 2. Exceptions have been made to this Regulation in a very few instances. Extension of time has been granted to certain hotels to comply with this Regulation. Pending the necessary alterations to premises in order to comply with this Regulation, temporary permission has been given to these hotels in the interim. The hotels so excepted are: New Statler, Toronto; Park Plaza, Toronto; Waverley, Toronto; Windermere, Toronto; King Edward, Toronto; Royal York, Toronto; Hotel DeFrance, Toronto; Chateau Laurier, Ottawa.

All hotels were circularized some time ago as follows:—"Under no circumstances will the Board permit the serving of men in Ladies' Beverage Rooms unless they are actually escorting a lady or ladies at the time. Likewise, the Board will not permit ladies to be served in Men's Beverage Rooms. It is imperative that beverage rooms for men only be provided in every hotel having a beer authority. Written acknowledgement of this circular, giving assurance that its terms are fully understood and will be carried out to the letter, must accompany your application for renewal."

Mr. Murphy asked the following Question (No. 39):-

1. How many licenses granted by the Liquor Control Board are in existence at date for the purpose of selling native wines in Ontario. 2. By whom are the licenses held, giving the address of the retail establishment in each case.

The Honourable the Prime Minister replied as follows:-

1. 34. 2.—

### WINERIES

Acme Wine Co., Ltd.,
889 Queen St. W., Toronto.
Adelaide Winery, Ltd.,
195-199 Ann St., London.
Badalato, S.,
R.R. No. 9 Dundas Highway, London.
Barnes Wines, Ltd.,
Grantham Township, St. Catharines.
Beaverdam Cataract Winery, Ltd.,
Beaverdam Road, Niagara Falls.
Bordeaux Wines, Ltd.,
R.R. No. 2, Niagara-on-the Lake.

Stamford Township, Niagara Falls.

Canada Wine Products, Ltd., 1328 Bloor St. W., Toronto Canadian Wineries, Ltd., R.R. No. 3, Niagara Falls.

Bright, T. G. & Co., Ltd.,

Cooksville Wine Vaults, Dundas Highway, Cooksville. Danforth Wine Co., Ltd., Lakeshore Rd. & 19th St., New Toronto. RETAIL SALES OFFICES

708 Danforth Ave., Toronto.

623 Dundas St., London.

356 Richmond St., London.

701 Yonge St., Toronto.16 Main St. E., North Bay.43 Market Sq., Stratford.

689 Queen St. E., Toronto.

223½ Yonge St., Toronto. 78 Sparks St., Ottawa. 91 King St. E., Hamilton. 33 Elm St. E., Sudbury. 1328 Bloor St. W., Toronto.

878 Yonge St., Toronto. 378 Talbot St., St. Thomas. 299 St. Paul St., St. Catharines. 940 St. Clair Ave. W., Toronto. Dundas Highway, Cooksville.

Lakeshore Rd. & 19th St., New Toronto. 26 Queen St. E., Toronto. 1854 Danforth Ave., Toronto.

### WINERIES

Grimsby Wines, Ltd., Niagara Highway, Grimsby.

Hamilton, J. S. & Co., Ltd., 44-46 Dalhousie St., Brantford.

Hamilton Winery, 164 York St., Hamilton.

Hamilton-Niagara Wines, Ltd., Burlington.

Hillrust Wine Co., Ltd., R.R. No. 4, St. Catharines.

Jordan Wine Co., Ltd., Jordan.

Kitchener Winery, Preston Highway, R.R. No. 3, Kitchener.

London Winery, Ltd., Lambeth Highway, London Westminster Township.

Marsh, Fred, Winery, Ltd., 749 Park St., Niagara Falls

National Wine Co., Ltd., 27-31 Brock Ave., Toronto

Old Battlefield Wine Co., Saltfleet Twp., Stoney Creek.

Old Fort Wine Co., Ltd., Garrison Rd., Fort Erie.

Peerless Wine Mfrs., Ltd., 448 Queen St. E., Toronto.

The Parkdale Wines, Ltd., 181-195 Bathurst St., Toronto.

Robinson Wine Corporation, Ltd., 174 Catharine St. N., Hamilton.

Rossoni's Winery, 956 Tecumseh Rd., Windsor.

Royal City Winery, 32 Wilson St., Guelph.

Sunnybank Winery, R.R. No. 2, Grantham Twp., St. Catharines.

St. Catharines Wine Co. of Canada, Ltd., Woodburn Ave., St. Catharines.

Turner Wine Co., 104-106 Front St. E., Toronto.

Twin City Wine Co., 514 McTavish St., Fort William.

Welland Winery, 268 King St., Welland. Windsor Co., Ltd.,

Walker Rd and Edna Sts., Windsor.

RETAIL SALES OFFICES

427 Spadina Ave., Toronto.

44-46 Dalhousie St., Brantford.

164 York St., Hamilton.

15 King William St., Hamilton.

224 Charlotte St., Peterboro'.

169 Sparks St., Ottawa.

60 Queen St. S., Kitchener.

409 Ridout St. N., London. 268 Princess St., Kingston. 52 Rideau St., Ottawa. 73 Bank St., Ottawa. 31 Second St. W., Cornwall. 27-31 Brock Ave., Toronto.

774 Barton St. E., Hamilton.

537 Bloor St. W., Toronto.

448 Queen St. E., Toronto.

181 185 Bathurst St., Toronto. 1165 St. Clair Ave. W., Toronto. 40 Government Rd., W., Kirklake 24 King St. W., Hamilton.

266 King St. W., Chatham.

32 Wilson St., Guelph.

189 Front St., Belleville.

25 Fourth Ave., Timmins.8-10 Lisgar St., Sudbury.198 Queen St. W., Toronto.

287 Bay St., Port Arthur.

268 King St., Welland.

488 Ouelette Ave., Windsor.

# Mr. Welsh asked the following Question (No. 40):-

1. What is the total number of beverage licenses issued by the present government to date to (a) Hotels; (b) Social Clubs; (c) Soldier and Labour Clubs; (d) to Military Messes; (e) to Railways; (f) to organizations of any other type; also indicating in each case how many of these licenses are in good standing at date. 2. How many suspensions of beverage licenses have been made by the Liquor Control Board since the present government took office. 3. In how many cases has the license or authority been restored after suspension. 4. In how many cases have licenses or authorities been cancelled permanently.

The Honourable the Prime Minister replied as follows:-

1.—	"A"	"B"	"C"	"D"	"E"	"F"
	Hotels	Social Clubs	Soldier Clubs, etc.	Military Mess	Railways	Steamship
July 24th to October 31, 1934	1053	96	77	Nil	1	2
Nov. 1st, 1934, to March 31st, 1935	1102	110	81	61	1	Nil
April 1st, 1935, to March 31st, 1936	1143	109	85	76	1	7
April 1st, 1936, to date	1207	149	86	130	1	12
In good standing and operating at Feb. 28th, 1937	1144	144	84	129	1	0

Answer to No. 2, 236. Answer to No. 3, 228. Answer to No. 4, 134.

# Mr. Lancaster asked the following Question (No. 41):-

1. Having regard to recent decisions of the Privy Council, in how many Municipalities in Ontario at the present time, is the Canada Temperance Act in force and what are these Municipalities. 2. How many liquor stores and how many authorities to sell beer and wine in clubs and beverage rooms are there in these Municipalities.

# The Honourable the Prime Minister replied as follows:-

1. None. The Appellate Division of the Supreme Court of New Brunswick has, in a recent decision, declared the Canada Temperance Act to be at present ultra vires. This question as regards to the constitutionality of The Canada Temperance Act was not considered by the Privy Council, and the decision of the Supreme Court of New Brunswick is therefore binding, and the Act is not in force anywhere in Canada. Furthermore, a recent decision of the County Judge of Peel was given to the effect that the Canada Temperance Act was not in force in that County, and more recently still, a Court decision in Huron County was given to the same effect in answer to a plea of the defendant that he could not be charged under The Liquor Control Act inasmuch as The Canada Temperance Act was in force in that County. 2. None.

Mr. Murphy asked the following Question (No. 44):-

1. What was the quality and the wholesale value of the beer, ale and allied products sold from breweries and brewery warehouses to holders of authority under the Liquor Control Board, for the calendar year 1936.

The Honourable the Prime Minister replied as follows:-

Gallons 14.681.568.

Value \$18.814.262.35.

Mr. Henry asked the following Question (No. 49):-

1. What was the amount for which the Ontario Hydro-Electric Power Commission of Ontario entered action against Right Honourable Arthur Meighen and C. Alfred Maguire, former Hydro Commissioners and F. A. Gaby and I. B. Lucas, K.C., former Chief Engineer and Solicitor, respectively. 2. What was the total cost of the action to the Ontario Hydro-Electric Power Commission and to whom were the various items paid, indicating the amount in each case. 3. In view of the terms of the judgment in this case has the government taken steps to pay the costs of the defendants and if so, what amounts have been paid and to whom.

The Honourable the Attorney-General replied as follows:-

1. \$4,553.73. 2. \$956.60—Messrs. McCarthy & McCarthy. 3. No.

Mr. Nesbitt asked the following Question (No. 50):-

1. What is the maximum number of patients at the Ontario Hospital, Hamilton, who, during the calendar year, 1936, have been obliged to sleep on mattresses placed on the floors because of lack of beds, lack of space for beds or for other cause. 2. What is the maximum number of patients in Ontario Hospitals other than the Ontario Hospital at Hamilton who, during the calendar year 1936, have been obliged to sleep on mattresses placed on the floors because of lack of beds, lack of space for beds or for other cause, specifying the maximum number and giving name of hospital in each case. 3. What is the maximum number of patients in each of the Ontario Hospitals who during the calendar year 1936 have been obliged to sleep in corridors, giving particulars as to each hospital.

The Honourable the Minister of Health replied as follows:-

1. 27. 2. Kingston, 29; New Toronto, 4. 3. Brockville, 24; Hamilton, 111; Toronto, 5.

## Mr. Nesbitt asked the following Question (No. 54):-

1. Are there now in Ontario any combined rural areas set up as units for public health administration with staff employed on a full time basis. 2. Has the Government adopted any policy for the encouragement of rural areas in setting up any such type of health administration.

The Honourable the Minister of Public Welfare replied as follows:-

1. No. 2. The policy of the Department in this matter will be dependent on the result of the demonstration now being carried on jointly with the Rockfeller Foundation in the four most easterly counties.

# Mr. Nesbitt asked the following Question (No. 73):-

1. How many prosecutions have taken place during the period from March 1, 1936, to February 28, 1937, under The Minimum Wage Act. 2. How many convictions have been registered during this period. 3. What is the total amount of (a) fines imposed during this period and (b) fines paid during this period.

The Honourable the Minister of Public Welfare, Municipal Affairs and Labour replied as follows:—

1. Nineteen. 2. Fifteen. 3. (a) \$570.00; (b) \$520.00.

Mr. Murphy moved, seconded by Mr. Nesbitt,

That there be laid before this House a Return showing: (a) The names of all Civil Servants who have been appointed since July 11, 1934, at salaries in excess of the minimum salary for the position as set forth in the Classification of the Service as prepared by the Civil Service Commissioner; (b) The minimum salary in each case as set forth in the Classification and the salary at which the Civil Servant was actually appointed; (c) The position to which the Civil Servant in each case was appointed; (d) The names of the persons recommending the appointment in each case; (e) The reason in each case for exceeding the minimum commencing salary as set forth in the Classification of the Service: (f) Date of appointment of Civil Servant in each case.

The motion having been read,

And a Debate arising, after some time the motion having been put was lost on the following Division:—

#### YEAS

Acres Baird Black Challies Craig

96

Duckworth
Elgie
Ellis
Heighington
Henry

Kidd Lawrence Macaulay Murphy Nesbitt—15.

#### NAYS

Allen
Anderson
Baker
Ballantyne
Belanger
Bethune
Bowerman
Bragg
Campbell
Carr
Clark
Croll
Croome
Faulkner

Fulford

Gardhouse

Glass
Habel
Heenan
Hepburn
Houck
Hunter
Kelly
Kirby
Lapierre
Leduc
Marceau
Marshall
Miller
McOuesten

Nixon

(Brant)

Patterson Roberts Robertson Roebuck Schwenger Simpson Sinclair (Bruce)

Sinclair\*
(Ontario)

Smith Strachan Tanner Trottier Wigle—44.

And so it was declared in the negative.

Mr. Kidd moved, seconded by Mr. Ellis,

That there be laid before this House a Return showing: 1. The names of all members of the Civil Service to whom increases in salary (other than restoration of the general salary reduction in whole or in part) have been granted since July 11, 1934, and giving (a) Names of Civil Servant; (b) Position or title of Civil Servant; (c) Date of increase or increases; (d) Amount of increase or increases; (e) Salary in each case after granting of increase; (f) Names of persons in each case recommending increase; (g) Date of appointment of Civil Servant in each case.

And the motion having been put was lost on the following Division:-

### YEAS

Acres
Baird
Black
Challies
Craig

Duckworth
Elgie
Ellis
Heighington
Henry

Kidd Lawrence Macaulay Murphy Nesbitt—15.

### NAYS

Allen Glass Anderson Guthrie Baker Habel Ballantyne Heenan Belanger Hepburn Bethune Houck Bowerman Hunter Kellv Bragg Campbell Kirby Carr Lapierre Clark Leduc Marceau Croll Marshall Croome Miller -Faulkner Macfie Fulford McOuesten Gardhouse McVicar

Patterson Roberts Robertson Roebuck Schwenger Simpson Sinclair (Bruce)

Nixon

Sinclair (Ontario)

Smith
Strachan
Tanner
Trottier
Wigle—47.

And so it was declared in the negative.

On the motion of Mr. Ellis, seconded by Mr. Heighington,

Ordered, That there be laid before this House a Return showing: 1. Copies of all correspondence between Hon. Mr. Croll and any person in the United States relating to Provincial Income Tax payments or violations.

On the motion of Mr. Black, seconded by Mr. Challies,

Ordered, That there be laid before this House a Return showing: 1. Copies of all regulations or Orders-in-Council made to date under The Forest Regulations Act, 1936. 2. Copies of any other Regulations or Orders-in-Council passed since January 1, 1936, granting or cancelling any timber concessions or limits in the Province of Ontario.

On motion of Mr. Heighington, seconded by Mr. Ellis,

Ordered, That there be laid before this House a Return showing: 1. Copies of any agreements entered into by the Minister or the Department under The Forest Regulations Act, 1936, re timber concessions or limits.

Mr. Challies moved, seconded by Mr. Black,

That there be laid before this House a Return showing: 1. All letters, memoranda, messages, surveys, reports and minutes of H.E.P.C. meetings relating to or involved in the expenditures to: (a) Stone & Webster Engineering Corporation—per Mr. W. F. Ryan—\$26,801.23; (b) Lewis Duncan, \$16,571.67; (c) McRuer, Mason, Cameron & Brewin, \$3,582.11.

The motion of Mr. Challies was with the consent of the House withdrawn.

The following Bills were severally read the third time and were passed:-

Bill (No. 74), An Act to amend The Surrogate Courts Act.

Bill (No. 82), An Act to amend The Lunacy Act.

Bill (No. 83), An Act to amend The Devolution of Estates Act.

Bill (No. 2), An Act respecting the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie.

Bill (No. 3), An Act to incorporate the Sisters of St. Joseph of the Diocese of Sault Ste. Marie.

Bill (No. 10), An Act respecting the Township of Cornwall.

Bill (No. 11), An Act respecting the Pelee Island Co-operative Association.

Bill (No. 84), An Act to amend The Married Women's Property Acct.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading Bill (No. 67), The Power Contracts Validation Act, 1937, having been read,

The Debate was resumed, and after some time the motion having been put was carried and the Bill was accordingly read the Second time and

Referred to the Committee of the Whole House to-morrow.

On motion of Mr. Leduc, seconded by Mr. Croll,

Ordered, That this House do forthwith resolve itself into a Committee to consider a certain proposed Resolution respecting a payment for ten years of a bounty to miners and producers of Iron Ore.

Mr. Nixon (Brant) acquainted the House that His Honour the Lieutenant-

Governor having been informed of the subject matter of the proposed Resolution, recommends it to the consideration of the House.

The House then resolved itself into the Committee.

#### (In the Committee)

Resolved, That the Treasurer of Ontario be authorized to make payments out of the Consolidated Revenue Fund for a period of ten years of a bounty to miners and producers of iron ore in accordance with the provisions of Bill (No. 70), being An Act to encourage the Mining of Iron Ore.

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to a certain Resolution.

Ordered. That the Report be now received.

Resolved, That the Treasurer of Ontario be authorized to make payments out of the Consolidated Revenue Fund for a period of ten years of a bounty to miners and producers of iron ore in accordance with the provisions of Bill (No. 70), being An Act to encourage the Mining of Iron Ore.

The Resolution having been read the second time was agreed to and referred to the House on Bill (No. 70), being An Act to encourage the Mining of Iron Ore.

The Order of the Day for the second reading of Bill (No. 88), The Municipal Subsidy Act, 1937, having been read,

And a Debate arising, after some time, the motion having been put was carried on the following recorded vote:-

#### YEAS

Acres Allen Anderson Armstrong Asmussen Baird Bowerman Campbell Carr Challies Clark Colter Craig Croll Croome Dickson Duckworth Elgie Ellis

Faulkner Freeborn Fulford Glass Guthrie Habel Heenan Henry Hepburn Houck Kellv Kidd Kirby Lapierre Leduc Macaulay Marceau Marshall

Miller Murphy Macfie McOuesten McVicar Nesbitt Nixon (Brant)

Patterson Roberts Robertson Roebuck Simpson Sinclair (Bruce)

Strachan Tanner Wigle-53

NAYS

And the Bill was accordingly read the Second Time and referred to the Committee of the Whole House to-morrow.

The following Bills were severally read the second time:—

Bill (No. 70) An Act to encourage the Mining of Iron Ore.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 79), The Operating Engineers Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 80), An Act to amend The Apprenticeship Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 91), The Dairy Products Amendment Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 92), An Act respecting Plant Diseases and Insects.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 93), An Act respecting the Grading of Farm Products.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 81), An Act respecting Municipal Employees Pensions.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 86), An Act to amend The Mothers' Allowances Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 87), An Act to amend The Old Age Pensions Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 89), An Act to amend The Assessment Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 90), An Act to amend The Industrial Standards Act, 1935.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 101), The Burlington Beach Act, 1937.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 102), The Municipal Amendment Act, 1937.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 29), An Act to amend The Municipal Drainage Act.

Referred to the Committee on Municipal Law.

Bill (No. 97), An Act to amend The Highway Traffic Act.

Referred to the Committee on Municipal Law.

Bill (No. 98), An Act to amend The Execution Act.

Referred to the Committee on Legal Bills.

Bill (No. 99), An Act to amend The Landlord and Tenant Act.

Referred to the Committee on Legal Bills.

Bill (No. 100), An Act to amend The Dog Tax and Live Stock Protection Act.

Referred to the Committee on Municipal Law.

The House then adjourned at 11.14 p.m.

## TUESDAY, MARCH 16th, 1937.

PRAYERS.

3 O'CLOCK P.M.

Mr. Colter, from the Standing Committee on Private Bills, presented their Third Report which was read as follows and adopted.

Your Committee beg to report the following Bills without amendment:-

Bill (No. 7), An Act respecting the Township of Sarnia.

Bill (No. 8), An Act respecting the County of Grey and the City of Owen Sound.

Bill (No. 22), An Act respecting the City of St. Catharines.

Your Committee beg to report the following Bills with certain amendments:—

Bill (No. 20), An Act respecting the City of Belleville.

Bill (No. 21), An Act respecting the Township of East York.

Bill (No. 27), An Act respecting the City of Ottawa.

The following Bills were severally introduced and read the first time:-

Bill (No. 109), intituled "An Act to amend The Telephone Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 110), intituled "An Act to amend The Securities Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 111), intituled "An Act to Repeal The Amusements Tax Act." Mr. Hepburn.

Ordered, That the Bill be read the second time to-morrow.

Mr. Kidd asked the following Question (No. 6):-

1. What has been the total expenditure by the Hydro-Electric Power Commission in connection with the experiments in the production of hydrogen and oxygen through the use of electric power.

The Honourable the Attorney-General replied as follows:-

Nothing has been spent for experiments in the production of hydrogen and oxygen, but \$26,930.98 was spent up to December 31st, 1936, in the utilization of hydrogen and oxygen and their application to municipal, metallurgical and other industrial purposes.

Mr. Ellis asked the following Question (No. 8):-

1. Have the officials of the Hydro-Electric Power Commission who were suspended by the present commission and employed on a day to day basis, been made permanent. 2. If so, if any have been, give their names, positions and salaries. 3. If not, give the names, positions and salaries of those who are not now permanent.

The Honourable the Attorney-General replied as follows:-

No officials were suspended. The term of their employment was changed to a day to day basis, subject to agreed notice, if any, as is the case of Civil servants. They were and continue to be listed as permanent employees. Mr. Ellis asked the following Question (No. 9):-

1. What is the present total H.P. being developed at the Chats Falls. 2. What is the present H.P. being used by the Hydro-Electric Power Commission from the Chats Falls development. 3. Is anything being paid to the Ottawa Valley Power Company for any H.P. being used by the Hydro-Electric Power Commission from the Chats Falls development.

The Honourable the Attorney-General replied as follows:—

1. 192,000 H.P. 2. On February 17th, 1937, 168,900 H.P. 3. Yes.

Mr. Ellis asked the following Question (No. 10):-

1. What is the total H.P. exported or sold to persons or corporations in the United States by the Hydro-Electric Power Commission of Ontario during each of the years 1935 and 1936. 2. What are the names of all persons or corporations in the United States receiving power from the Hydro-Electric Power Commission, together with the H.P. in each case.

The Honourable the Attorney-General replied as follows:—

1. and 2.—

	Niagara, Lock	port and	*Canadian	Niagara		
	Ontario Powe	-	Power Co. (	(Surplus	Total Ex	xport
	(Firm Expor	t at the	Export at the Bound-		(At the Boundary)	
	Bounda	ry	ary)		Average horsepower	
	Average hors	sepower	Average horsepower			
	1935	1936	1935	1936	1935	1936
January	57,820	55,921	40,842	28,579	98,662	84,500
February	58,806	58,658	56,842	52,190	115,648	110,848
March		58,307	20,141	51,665	76,775	109,972
April	57,393	58,209	23,949	44,373	81,342	102,582
May		53,977	19,883	35,575	77,399	89,552
June		60,322	29,265	86,690	86,998	147,012
July		60,161	14,854	82,401	70,219	142,562
August		59,979	31,835	51,133	90,415	111,112
September.		53,992	48,172	29,739	107,187	83,731
October	57,621	54,044	44,511	31,567	102,132	85,611
November .		54,032	0	34,113	53,980	88,145
December.	· · · · · · · · · · · · · · · · · · ·	54,479	886	21,076	54,588	75,555

All the foregoing power is exported on the basis of treaty rights and contract agreements entered into prior to July, 1934. It is all "at will" power exported for temporary purposes on an hourly basis, except the firm power exported under the Ontario Power Company's contract also entered into prior to 1934.

\*Power is sold to the account of the Canadian Niagara Power Company who nominate the following to receive the power—Niagara, Lockport and

Ontario Power Company; Niagara Falls Power Company; Buffalo General Electric Company.

Average horsepower is the total kilowatt-hours for the month divided by the numbers of hours in the month times .746.

Mr. Challies asked the following Question (No. 12):-

1. What load did the Toronto Hydro-Electric System cut off its maximum peak load during the month of December, 1936, by various means of peak load control, as indicated by the graphic meter records of the Hydro-Electric Power Commission of Ontario. 2. What was the maximum peak load recorded of the Toronto Hydro-Electric System for December, 1936, and January, 1937. What percentage increase were these loads over the same months twelve months ago. 3. Has the Hydro-Electric Power Commission requested that the Toronto Hydro-Electric System control or depress its peak loads by regulating or decreasing its voltage of supply. Has the Commission requested that the Toronto Hydro-Electric System cease from controlling its peak loads by depressing the voltage of supply.

The Honourable the Attorney-General replied as follows:-

1. Not indicated.

2.---

Year	Peak Load	Increase % over
December, 1936	333,388.7 H.P.	Previous Year 6.9
January, 1937	336,603.2 H.P.	10.27

3. (a) No; (b) No.

Mr. Challies asked the following Question (No. 14):-

What purchases have been made from the Welland Iron and Brass Company by the Hydro-Electric Power Commission for plants at Niagara Falls or other places since July, 1934, with particulars as to dates and amounts.

The Honourable the Attorney-General replied as follows:-

Veen 1026 35	4.0	
rear 1930—May	19	\$ 3.21
Aug.	11	4.51
**	12	70.33
**	20	74.13
Sept.	16	132.58
u u	25	156.93
Oct	28	153.73
Oct.	20	64.86
Nov.	21	42.77
.101.		58.23
66	17	21.51
	21	89.45

66	13	8.79 9.74
	5	
	Total	\$1,130.07

#### Mr. Challies asked the following Question (No. 29):-

1. What new electric developments are under contemplation by the Ontario Hydro-Electric Power Commission. 2. Give the total estimated cost in each case, and total installed electric horse power represented by each amount. 3. What will be the plant load factor if operated to the maximum under existing water conditions.

The Honourable the Attorney-General replied as follows:-

"Under contemplation" is too indefinite—cannot be answered.

Mr. Challies asked the following Question (No. 31):-

1. Does the Hydro-Electric Power Commission intend building a new transmission line to carry 60-cycle energy from the frequency changer in the Chats Falls station to the Eastern Ontario system. 2. Where will it terminate. 3. What will it cost.

The Honourable the Attorney-General replied as follows:-

1. Yes. 2. Near Trenton. 3. \$750,000.00.

Mr. Ellis asked the following Question (No. 34):-

Has any estimate been made as to the cost of developing any or all the power on the Madawaska, and if so, what is the estimate in each case. 2. What horse-power will be developed in each case. 3. What is the estimate of cost per horse-power in each case.

The Honourable the Attorney-General replied as follows:-

No estimates.

Mr. Nesbitt asked the following Question (No. 55):-

1. How many private Detectives have been employed by the Hospitals

Branch of the Department of Health since July, 1934. 2. In what Hospitals was it found necessary to supplement official Supervisors by these operators.

3. What amounts were paid for the services of such private detectives.

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The Honourable the Minister of Health replied as follows:-

It is not in the public interest to make public this information.

Mr. Lancaster asked the following Question (No. 92):-

1. Who is the Deputy Minister of Education. 2. When was he appointed. 3. What was his commencing salary and what is his present salary. 4. If he was appointed at a salary in excess of the minimum commencing salary as provided by the Classification of the Public Service, why was such the case. 5. Were his qualifications investigated by the Civil Service Commissioner. 6. Did the Civil Service Commissioner issue his certificate as required by The Ontario Public Service Act. 7. Who recommended the Deputy Minister of Education to the Government.

The Honourable the Minister of Education replied as follows:-

1. Duncan McArthur, M.A. 2. 17th July, 1934. 3. Salary as Deputy Minister and Chief Director of Education, \$7,500.00; present salary, \$7,500.00. 4. The minimum salary for each of the two positions is \$5,000, or \$10,000 in all. The appointment, therefore, was below the minimum. 5. No. 6. No. 7. Minister of Education.

The Order of the Day for resuming the Adjourned Debate on the Motion that Mr. Speaker do now leave the Chair; and that the House resolve itself into the Committee of Supply, having been read,

The Debate was resumed,

And after some time it was on the motion of Mr. Baird,

Ordered, That the Debate be adjourned.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Report of the Minister of Lands and Forests of the Province of Ontario for the fiscal year ending March 31st, 1936. (Sessional Papers No. 3.)

Also, Report upon the Prisons and Reformatories of the Province of Ontario for year ending March 31, 1936. (Sessional Papers No. 18.)

#### WEDNESDAY, MARCH 17th, 1937.

PRAYERS.

3 O'CLOCK P.M.

On motion by Mr. Hepburn, seconded by Mr. Nixon (Brant),

Ordered, That the names of Mr. Croll and Mr. Black be added to the Committee on Privileges and Elections.

Before the Orders of the Day were called and by unanimous consent of the House, Mr. Henry moved, seconded by Mr. Ellis,

That the House empower the Public Accounts Committee to investigate and instruct Chester S. Walters to appear before the Public Accounts Committee, Friday next, at 10.30 a.m., to give evidence with reference to the item "interim surplus \$7,347,729.73" appearing in interim statement of gross ordinary revenue fiscal year April 1st, 1936, to March 31, 1937; the item \$84,874,079.78 in interim statement of gross ordinary expenditure for the same fiscal year; the item \$2,282,905.62 estimated surplus in budget forecast for the fiscal year April 1, 1937, to March 31, 1938; and the item \$31,935,663.43 in budget forecast of capital payments fiscal year April 1st, 1937, to March 31, 1938.

And a Debate having arisen, after some time the motion having been put was lost on the following Division:—

#### YEAS

Acres	Duckworth	Kidd
Baird Black	Elgie Ellis	Lancaster Macaulay
Challies	Heighington	Murphy Nesbitt
Craig	Henry	Welsh—16

#### NAYS

Allen Anderson Armstrong Asmussen Avery Baker Ballantyne Blakelock Bowerman Bradley Bragg Brownridge	Campbell Carr Clark Colter Crawford Croll Croome Des Rosiers Dewan Dickson Duncan Faulkner	Freeborn Fulford Glass Gordon Guthrie Habel Heenan Hepburn Houck Hunter Kelly King
--	--	--

#### NAYS-Continued

Kirby Lapierre Lawrence Leduc Marceau Marshall Miller Murray

MacBride

McQuesten

Macfie

McVicar Newman Nixon (Brant) Nixon Oliver

Sangster Simpson Sinclair (Bruce) Sinclair

(Temiskaming)

(Ontario) Smith Strachan Trottier Wigle—64.

Patterson Robertson Roebuck Rowlandson

The following Bills were severally introduced and read the first time:-

Bill (No. 112), intituled "The Gold Clauses Act, 1937." Mr. Leduc.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 113), intituled "The Territorial Division Act." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 114), intituled "An Act respecting the Control of Farm Products." Mr. Marshall.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 115), intituled "An Act to amend The Highway Traffic Act." Mr. Elgie.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 116), intituled "An Act to amend The Negligence Act, 1930." Mr. Elgie.

Ordered, That the Bill be read the second time to-morrow.

The following Bill was read the second time:-

Bill (No. 30), An Act to amend The Municipal Act.

Referred to the Committee on Municipal Law.

Mr. Lancaster asked the following Question (No. 47):-

1. Has the Commissioner who investigated the escapes from the Criminal

Insane Building at Penetanguishene made his report to the administration. If not, when will it be made. 2. Has the government made any structural alterations to prevent similar escapes, and if so, what is the nature of the alterations and what was the cost thereof.

The Honourable the Minister of Health replied as follows:—

1. Yes. 2. Yes. Courtyard fence raised 6 feet with overhang in heavy unclimable close mesh; upper floor windows to court yard covered with heavy unclimable heavy close mesh; rear wall protected by 5 feet fence of heavy unclimable close mesh projecting 2 feet above parapet; wide double gate arrangement projecting into the court yard removed and narrow gate substituted. The cost was \$2,762.32.

#### Mr. Nesbitt asked the following Question (No. 60):-

1. Since March 2, 1936, what industries have been brought within the scope of the Ontario Industrial Standards Act. 2. Upon what dates did the agreements become effective. 3. What proportion of employers in each industry agreed to application of the terms of the Act.

The Honourable the Minister of Public Welfare replied as follows:-

1 \_\_\_

1.		
Baking Inc	dustry:	Schedule Effective-
	Ottawa	December 8, 1936
Barbering		
	Barrie Port Arthur–Fort William. Sarnia St. Thomas Toronto Windsor	February 23, 1937 January 19, 1937 September 22, 1936
Bricklaying	g and Stonemasonry Trades:	
	Kitchener (includes plasterers) Ottawa Toronto Windsor	October 27, 1936 December 8, 1936
Brewing I	ndustry:	
	Ontario	August 25, 1936
Carpentry		
	Kitchener Ottawa	August 25, 1936

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Cloak and Suit Industry:	Schedule Effective-
Ontario	February 9, 1937
Common Labourers:	
Ottawa Toronto	August 25, 1937 October 27, 1936 September 22, 1936 August 25, 1936
Electrical Repair and Construct	ion Trade:
Ottawa Toronto	
Logging Industry:	4
Port Arthur Forestry	DivisionMarch 24, 1936
Men's and Boys' Clothing Indust	ry:
Ontario	October 1, 1936
Millinery Industry:	
Ontario	May 12, 1936 November 10, 1936 (renewed)
Painting, Decorating, Paperhangi	ng and Glazing Trades:
Kitchener Ottawa	December 8, 1936.  August 25, 1936  October 27, 1936  October 6, 1936
Plastering Trade:	
Toronto	October 6, 1936 December 8, 1936 August 25, 1936
Plumbing and Heating Trades:	
London Port Arthur–Fort Wil Ottawa Toronto	October 27, 1936  January 5, 1937  liam December 8, 1936  August 25, 1936  October 6, 1936  August 25, 1936

<sup>2.</sup> Answered in (1). 3. Figures not available.

## Mr. Challies asked the following Question (No. 76):-

- 1. Where is the former fire ranging launch *Wasp* now located. 2. What are the itemized details of expenditures in connection with moving this launch to each base of operation since July, 1934. 3. Were boat houses built or rented for this launch and if so, give detail of costs in each case. 4. What has been the total costs of repairs and alterations since July, 1934. 5. What has been the costs of operation for (a) wages; (b) fuel; (c) incidental, in connection with *Wasp* since July, 1934. 6. On what waters has the launch been used since July, 1934.
- 1. Fort Frances. 2. To Port Stanley from Temagami: London and Port Stanley Railway—freight on boat, engine and fittings, \$146.88; Forestry Branch, expenses re shipping boat, Temagami Boat Co.—hauling out and loading boat, \$51.80; total \$198.68. To Fort Frances from Port Dover: Gamble, George R.—loading boat on car, \$30.00; Canadian National Railways—freight on boat, \$237.50; total \$267.50. 3. No. 4. \$1,347.17. 5. (a) \$1,472.23; (b) \$385.23; (c) \$91.12; total \$1,948.73; as compared to cost of operation and repairs—Elsie Doris on Lake Erie, January 1—December 31, 1934. Cost of operation Elsie Doris: (a) Wages, \$3,547.94; (b) Fuel, \$685.86; (c) Incidentals, \$895.42; total \$5,129.22; repairs, \$202.12; total \$5,331.34. 6. Lake Erie and Rainy Lake.

#### Mr. Welsh asked the following Question (No. 82):-

1. What were the total purchases of meat made for the Ontario School for the Deaf, Belleville, from January 1st, 1935, to date. 2. From whom were these purchases made. 3. Were competitive tenders called. 4. What were the tenders received. 5. What, if any, is the manner of inspections made of meats purchased.

## The Honourable the Minister of Education replied as follows:-

1. \$9,525.32. 2. Ciceri's Food Market, John Shannon, J. A. White, J. Livesey, Leo Hamilton. 3. The procedure established in 1927 in the following memorandum, dated November 3rd of that year, has been followed ever since that date: "After consulting with the different officials of the Ontario School for the Deaf and the Ontario School for the Blind, it has been decided that tenders be not advertised for this year for the supply of meat, butter, flour, etc., but that the supplies be obtained in the open market as has been the custom at the Ontario School for the Blind for some years. (Sgd.) A. H. U. Colquhoun, Deputy Minister of Education." 4. Answered by 3. 5. Inspection of every delivery of meat is made by the Bursar and Matron.

## Mr. Black asked the following Question (No. 85):-

1. When was the policy of setting maximum for relief grants in certain municipalities adopted. 2. Was this change substituted for a stated and definite percentage, and if so, why. 3. What percentage of the total relief expenditure of the Province of Ontario for (a) the year 1935; (b) the year 1936, is represented by the municipalities where maximum allowances are established. 4. On what

grounds was it decided to reduce total of grants to the City of Toronto for relief purposes by \$750,000 for the last 9 months of 1936 as compared with the corresponding months of 1935.

The Honourable the Minister of Public Welfare replied as follows:-

1. January 1, 1936. 2. No; the percentage basis obtains up to the established maximum. 3. (a) 86.6%; (b) 83.9%. 4. Lower trends of relief as evidenced by improved industrial conditions and anticipated purging of relief rolls. That our estimate was correct is borne out by the fact that Toronto's expenditure was 2.6% under its relief budget and ours 1.68 under the Provincial maxima for that municipality.

Mr. Murphy asked the following Question (No. 88):—

1. On what basis of remuneration are scalers now employed by the Department of Lands and Forests. 2. Are they (a) members of the Civil Service or (b) are they employed on a casual basis. 3. Are scalers engaged in seasonal work only or is employment furnished for them during seasons when they are not engaged in scaling timber and if so, what is the nature of their employment. 4. How many licensed scalers are there registered in Ontario at the present time. 5. When was the last examination for scalers held and who were the presiding examiners. 6. Are new examination papers set for each examination or are the same questions used from year to year. 7. Are check scalers used to check the work of the scalers in all timber operations and if not state the circumstances. 8. What provision, if any, is made for the board and lodging of scalers when engaged in their duties at the scene of lumber operations.

The Honourable the Minister of Lands and Forests replied as follows:-

1. (a) On permanent basis: \$1,800-\$2,200 per annum; (b) On per diem basis: \$3.00-\$5.00 per diem. 2. (a) Yes for those on permanent staff; (b) Yes for those on per diem staff. 3. Those on permanent staff during all seasons. On scaling during operating season and at other times on other duties such as timber estimating, inspections, checking timber returns, fire protection work, et cetera. Those on per diem basis seasonal only. 4. 1,697 Sawlog; 88 Pulpwood. 5. August 26th, 1936. At Sturgeon Falls: S. J. Hawkins, Thos. Thorpe and P. J. Whelan. At Fort Frances: J. A. Alexander, F. E. Rowe and J. D. C. Smith. 6. Yes. New papers each time. 7. Yes in all except small operations. 8. Board and lodging provided by operators.

Mr. Kidd asked the following Question (No. 120):-

1. How many persons are wards of the Soldiers' Aid Commission at date.

The Honourable the Minister of Public Welfare replied as follows:-

1. 85 on March 16th, 1937.

The Order of the Day for resuming the Adjourned Debate on the Motion that Mr. Speaker do now leave the Chair; and that the House resolve itself into the Committee of Supply, having been read.

The Debate was resumed,

And after some time it was on the motion of Mr. Nesbitt,

Ordered, That the Debate be adjourned.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Report of the Department of Game and Fisheries, 1935-36, with which is included the Report for the five months period ending March 31st, 1935, (Sessional Papers No. 9.)

Also, Report of the Department of Labour including the Annual Report of the Minimum Wage Board, 1936. (Sessional Papers No. 10.)

Return to an Order of this House dated March 15th, 1937, That there be laid before this House a Return showing: 1. Copies of all correspondence between Hon. Mr. Croll and any person in the United States relating to Provincial Income Tax payments or violations. (Sessional Papers No. 50.)

The House then adjourned at 6.00 p.m.

## THURSDAY, MARCH 18th, 1937.

PRAYERS.

3 O'CLOCK P.M.

Mr. Nixon (Temiskaming), from the Standing Committee on Agriculture and Colonization, presented their First Report which was read as follows and adopted:—

Your Standing Committee on Agriculture and Colonization has carefully considered the provisions of Bill (No. 77), An Act respecting the Adoption of a Floral Emblem for the Province of Ontario and beg to report the Bill without amendment.

Mr. Colter, from the Standing Committee on Private Bills, presented their Fourth Report which was read as follows and adopted:—

Your Committee beg to report the following Bills without amendment:—

Bill (No. 16), An Act respecting the City of Hamilton.

Bill (No. 18), An Act respecting the City of Oshawa.

Your Committee beg to report the following Bill with certain amendments:—

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Bill (No. 23), An Act respecting the County of York.

On motion by Mr. Hepburn, seconded by Mr. Nixon (Brant),

Ordered, That commencing on Monday next, the 22nd instant, the daily sittings of the House shall begin at eleven o'clock in the forenoon, Mr. Speaker to leave the Chair at one of the clock until three of the clock in the afternoon without the question being put.

On motion by Mr. Hepburn, seconded by Mr. Leduc,

Ordered, That the Standing Committee on Privileges and Elections, to which has been referred for investigation certain charges made on the Floor of the House against the Member for the Riding of Sault Ste. Marie, be and the said Committee hereby is authorized to investigate, in addition to the matters heretofore referred to it, any other matters which may be brought before the Committee affecting the Member for Sault Ste. Marie in relation to his position as a Member of this Legislative Assembly.

The following Bills were severally introduced and read the first time:-

Bill (No. 117), intituled "An Act to amend The Municipal Drainage Act." Mr. Croll.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 118), intituled "An Act to amend The Highway Traffic Act." Mr. McQuesten.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 119), intituled "An Act to amend The Commercial Vehicle Act, 1936." Mr. McQuesten.

Ordered, That the Bill be read the second time to-morrow,

Mr. Ellis asked the following Question (No. 32):-

1. What is the total amount of Treasury Bills now outstanding. 2. When

were such Treasury Bills issued. 3. What were the various amounts and the rate of interest in each case. 4. For what term was the money borrowed in each case.

The Honourable the Prime Minister and Provincial Treasurer replied as follows:—

1.— Amount	2.— Date of Issue	3.— Rate of Interest	Series	4.— Term	Price Received
\$2,500,000 12,500,000 4,000,000 4,000,000 5,000,000 10,000,000 \$38,000,000	Dec. 1, 1935 Dec. 1, 1936 Feb. 15, 1937 Feb. 15, 1937 Feb. 27, 1937 Mar. 12, 1937	2½% 1¾4% 1¾4% 1¾4% 1¾4% 1¾4%	"D.V." "R.T.D." "R.T.E." "R.T.E." "D.Z." "R.T.G."	2 years 6 months 6 months 1 year 6 months 6 months	

Mr. Ellis asked the following Question (No. 33):-

1. What were the amounts received by the Province during each of the fiscal years 1932, 1933, 1934, 1935 and 1936 from: (a) Gasoline Tax; (b) Motor Vehicle Licenses.

The Honourable the Minister of Public Works and Highways replied as follows:—

1.— Fiscal Year	(a) Gasoline Tax	(b) Motor Vehicle Licenses
1931–2 to October 31, 1932	12,629,056.88 12,961,343.55 4,789,718.72	\$7,165,795.48 7,219,807.77 7,825,636.36 6,085,021.07 8,856,378.91

Mr. Black asked the following Question (No. 46):-

1. What amount was paid to E. G. Odette, Liquor Control Commissioner, by way of travelling expenses in the Fiscal Years ending October 31, 1934, March 31, 1935, March 31, 1936, and in the Fiscal Year ending March 31, 1937, to date. 2. To what points outside of Ontario has Mr. Odette travelled at Government expense and what were his expenses in each case.

The Honourable the Prime Minister replied as follows:-

1.— During fiscal year ending October 31, 1934  During fiscal year ending March 31, 1935  During fiscal year ending March 31, 1936  During fiscal year ending February 27, 1937	Nil \$92.50 \$2,154.60 49.70
2.— March 25 to March 28, 1935—To Montreal. April 22 to April 24, 1935—To Montreal. May 10 to July 19, 1935—To Europe and British Isles.	\$92.50 51.00 2,000.00

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#### Mr. Murphy asked the following Question (No. 58):-

1. What work is being done by the Department of Highways on the Kingston Road between Toronto and Whitby. 2. Is this work being done by contract. 3. Were tenders called for and if so what tenders were received and who was the successful tenderer.

The Honourable the Minister of Public Works and Highways replied as follows:—

## 1. Grading and paving, 6.7 miles. 2. Yes. 3. Tenders:

Bergman Construction Co.	\$141,022.50
Goldie Construction Co.	150.932.50
Rayner Construction, Ltd	163,173.00
Brennan Paving Co., Ltd.	167 445 00
Warren Bituminous Paving Co., Ltd	168.617 00
Dufferin Paving Co., Ltd.	170,100.00
Standard Paving, Ltd	175,899.00
Dominion Construction Corporation, Ltd	177,149.00
A. E. Jupp Construction Co., Ltd	182.896.00
Carter, Halls, Aldinger Co., Ltd	224,929.00
Lioni & Company	254,469.00

Bergmann Construction Co. was awarded the contract.

# Mr. Baird asked the following Question (No. 63):-

1. What contracts have been let by the Department of Highways since July 11, 1934, to the firm of A. Cope & Sons, of Hamilton. 2. Were contracts granted on a competitive basis and was the tender of A. Cope & Sons the lowest tender in each case.

The Honourable the Minister of Public Works and Highways replied as follows:—

1. Contract 34–53; Contract 35–45; Contract 36–31; Contract 36–32; Contract 36–50. 2. Yes; yes.

#### Mr. Acres asked the following Question (No. 69):-

1. What was the total refund in 1936 to municipalities by the Liquor Control Board in connection with beer and wine sold under authorities granted by the Liquor Control Board. 2. Upon what basis, giving full details, was this refund calculated. 3. Is the basis for calculations based on wholesale or retail prices. 4. What was the amount, giving gallonage and wholesale price of beer sold by the Breweries and Brewery Warehouses for resale in licensed beverage rooms in Ontario during the fiscal year 1936.

The Honourable the Prime Minister replied as follows:-

1. \$52,158.51. 2. This amount represented 20% of the fees paid to the Liquor Control Board by Hotel Authority Holders located in incorporated municipalities for the five months' period ending March 31st, 1936. A refund approximating \$175,000.00 will be made in April, 1937, covering the last nine months of 1936, and the first three months of 1937, the current fiscal year. 3. Wholesale prices. 4. 13,532,494 gallons—\$17,382,483.33.

#### Mr. Elgie asked the following Question (No. 93):-

1. During the Fiscal Years ending October 31, 1934, March 31, 1935, and March 31, 1936, what amounts and kinds of liquors were lost to the Liquor Control Board of Ontario by reason of breakages in storage depots and liquor stores. 2. Are all breakages reported to the Board. 3. What type of investigation is made by the board if an undue amount of breakages occurs at any given point. 4. Who are the Auditors for the Liquor Control Board and what is the basis of their remuneration. 5. Is the outside audit confined to the Head Office records of the Board or does it cover the operations of the individual stores. 6. Is there a system of stock-taking by the Board with respect to the individual Liquor stores and if so, by whom is this work performed and at what intervals.

1.— 12 months ending October, 1934  5 months ending March, 1935		12 months ending March, 1936	
Spirits       \$1,760.68         Wines       1,093.85         Beers       138.54	Spirits       \$972.71         Wines       589.14         Beers       55.22	Spirits       \$1,475.03         Wines       725.37         Beers       142.05	
\$2,993.07 (.02% of total store sales, or \$2.00 per \$10,000.00)	\$1,617.07 (.02% of total store sales or \$2.00 per \$10,000.00)	\$2,342.45 (.012% of total store sales or \$1.25 per \$10,000.00)	

2. Yes. 3. An investigation is carried out by a travelling store inspector and report rendered to Head Office. All breakages are subject to investigation during the periodical inspections of each store. 4. Messrs. Brokenshire, Scarff & Co., 407 Royal Bank Bldg., Toronto, Ont., \$13,000.00 per annum. 5. Not entirely; audits of store stocks and records being made from time to time. 6. In addition

to the balancing of stock sold against cash takings daily by the Store Vendor and Staff, a physical inventory of stock is taken semi-monthly by them and is immediately submitted to Head Office accompanied by a certification of correctness from the Vendor. Inventories of stocks of stores are also taken by the Liquor Control Board Travelling Store Inspectors bi-monthly, or more frequent when deemed necessary.

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Mr. Kidd asked the following Question (No. 115):-

1. How many employees were there in the Department of the Provincial Auditor (a) on July 11, 1934, and (b) on January 31, 1937.

The Honourable the Prime Minister replied as follows:-

1. (a) 69 (including the Provincial Auditor); (b) 58 (including the Provincial Auditor).

Mr. Welsh asked the following Question (No. 123):-

1. How many persons were in receipt of Mothers' Allowances in Ontario, giving the total number of persons and the total amount paid on the following dates, viz.: (a) July, 1936, and (b) January, 1937. 2. In how many cases was an allowance, on each of the dates mentioned in (1) being paid to a mother with one child.

The Honourable the Minister of Public Welfare replied as follows:-

1. (a) 10,714 beneficiaries—\$378,976; (b) 11,081 beneficiaries—\$387,386. 2. July, 1936—3,622; January, 1937—3,978.

Mr. Duckworth asked the following Question (No. 130):-

1. How many persons in Ontario were in receipt of Old Age Pensions on January 31, 1937, and what was the amount due and payable on that date.

The Honourable the Minister of Public Welfare replied as follows:-

1. 55,892. 2. \$1,024,440.83 total payroll for month of January, 1937.

Mr. Baird asked the following Question (No. 136):-

1. What was the indebtedness of the Government on January 31, 1937, by way of (a) Treasury Notes and (b) Bank Overdrafts.

The Honourable the Prime Minister and Provincial Treasurer replied as follows:—

1. (a) \$42,000,000; (b) No overdrafts.

The Order of the Day for resuming the Adjourned Debate on the Motion that Mr. Speaker do now leave the Chair; and that the House resolve itself into the Committee of Supply, having been read,

The Debate was resumed,

And the House having continued to sit until twelve of the Clock midnight,
Friday, March 19, 1937,

The Debate continued, and after some time, it was on the motion of Mr. Henry,

Ordered, That the Debate be adjourned.

Mr. Duckworth asked the following Question (No. 43):-

1. What were the total sales of beer and wine sold through licensed hotels and clubs in the Province of Ontario from March 1, 1935, to date, giving (a) Gallonage in each case; (b) the total wholesale price in each case.

The Honourable the Prime Minister replied as follows:-

1. (a) Beer—28,461,245; Wine—44,797; (b) Beer—\$36,493,685.68; Wine—\$308,999.02. The above figures are for the period March 1st, 1935, to February 27th, 1937—24 months.

Mr. Challies asked the following Question (No. 45):-

1. How many Liquor Commission employees in headquarters and stores throughout the Province have been dismissed or requested to resign from March 18, 1935, to date. 2. How many appointments of Liquor Commission employees in headquarters and stores throughout the Province have been made from March 18, 1935, to date.

The Honourable the Prime Minister replied as follows:-

1. Dismissed, 112; Resigned (of own accord), 24; died, 12; superannuated, 2; total 150. 2. 131. The above figures cover the period from March 18, 1935, to February 27th, 1937, and have reference to permanent appointees.

Mr. Welsh asked the following Question (No. 124):-

1. Is Dr. W. G. Thompson still Director of Dental Services. 2. If so, is Dr. Thompson still acting without salary; if not, what is his present salary, when was payment of salary authorized and by whom was said salary recommended to the administration. 3. Is Dr. W. G. Thompson still in private practice and is he still acting as Director of Dental Services for the City of Hamilton.

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The Honourable the Minister of Health replied as follows:-

1. Yes. 2. No, \$3,000; October 1st, 1935, Honourable Minister of Health. 3. Yes; No.

Mr. Duckworth asked the following Question (No. 128):-

1. What was the total sale in the Liquor Control Board store at Napanee for the calendar year 1936. 2. What was the total value of beer sold from the Brewery warehouse in Napanee for the calendar year 1936. 3. What were the total sales of beverages sold by the Brewery Warehouse for resale in beverage rooms in Napanee for the calendar year 1936.

The Honourable the Prime Minister replied as follows:-

1. \$42,901.90. 2. \$57,585.95. 3. \$36,515.90 (included in Answer to No. 2).

Mr. Kidd asked the following Question (No. 140):-

1. What is the total number of persons employed in the Civil Service of Ontario as of March 1, 1937: (a) Permanent; (b) Temporary; excluding any outside Boards or Commissions, and the Liquor Control Board. 2. What was the total number of contributors to the Public Service Superannuation Fund as of March 1, 1937.

The Honourable the Prime Minister replied as follows:-

1. (a) 5,744; (b) 808. 2. 6,419.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Report of James Ernest Madden, Commissioner under The Public Inquiries Act, to inquire into, investigate and report upon the recent disturbances of and amongst prisoners at the Ontario Reformatory at Guelph. (Sessional Papers No. 51.)

The House then adjourned at 1.10 a.m.

#### FRIDAY, MARCH 19TH, 1937.

PRAYERS.

3 O'CLOCK P.M.

On a motion by Mr. Hepburn, seconded by Mr. Nixon (Brant),

Ordered, That a Select Committee of this House be appointed to consider a proposed revision of the Rules of the House and to report the result of their deliberations to the House during the present Session, such Committee to be composed of the following members:—

Messrs. Colter, Heighington, Kidd, Lapierre, MacBride, Nixon (Brant), Schwenger.

On motion by Mr. Henry, seconded by Mr. Kidd,

Ordered, That this House instructs the Public Accounts Committee to sit so long as may be necessary during the present Session to deal with whatever Motions are now before the Committee.

Mr. Carr, from the Standing Committee on Municipal Law, presented their Report which was read as follows and adopted:—

Your Committee have carefully considered the provisions of Bills Numbers 64 and 95 to amend The Municipal Act, and such of their provisions as have been approved of have been embodied in a Bill, intituled "The Municipal Amendment Act, 1937."

Your Committee have carefully considered the following Bills and beg to report the same without amendment:—

Bill (No. 47), An Act to amend The Public Health Act.

Bill (No. 54), An Act to amend The Voters' Lists Act.

Bill (No. 100), An Act to amend The Dog Tax and Live Stock Protection Act.

Your Committee have carefully considered the following Bills and beg to report the same with certain amendments:—

Bill (No. 29), An Act to amend The Municipal Drainage Act.

Bill (No. 97), An Act to amend The Highway Traffic Act.

Your Committee have also carefully considered Bills Numbers: 30, "An

Act to amend The Municipal Act"; 56, "An Act to amend The Municipal Act" and Number 76, "An Act to amend The Assessment Act", and recommend that the same be not further proceeded with.

Mr. Ellis asked the following Question (No. 5):-

1. What is the present amount of the reserves of the Hydro-Electric Power Commission for obsolescence and contingencies.

The Honourable the Attorney-General replied as follows:-

Contingency Reserves to October 31, 1936, as follows:—

Niagara System	\$3,286,480.46	
Georgian Bay SystemGeorgian Bay System—R.P.D.	" "	\$4,229,887.89
Thunder Bay System—R.P.D.	2 556 05	537,888.76
Eastern Ontario System—R.P.D.	\$1,218,288.02	871,195.42
Manitoulin—R.P.D. Nipissing—R.P.D.		1,410,145.81 1,865.42 2,361.93
Total		\$7,053,345.23

## Mr. Macaulay asked the following Question (No. 65):—

1. What applications for Public Commercial Vehicle Licenses have been made since November 1st, 1934, for service on the Kenora-Fort Frances Highway, giving particulars of the date, parties and disposition of each application in the following categories: (a) Buses; (b) Truck or freight service.

The Honourable the Minister of Public Works and Highways replied as follows:—

- 1. Pursuant to the provisions of The Public Commercial Vehicle Act, 1934, and The Public Vehicle Act as amended in 1933, the Ontario Municipal Board dealt with the following applications for truck and bus licenses on the Kenora and Fort Frances highway:—
- (a) Bus Service—International Transit Company, Ltd. An application made February 1st, 1935, heard at Fort William June 14th, 1935—Application dismissed July 30th, 1935. Clark Robertson—Fort Frances—Application made

May 7th, 1935, heard at Fort William June 14th, 1935—Application dismissed July 30th, 1935. International Transit Company, Ltd—Application made May 15th, 1936, and granted June 19th, 1936, after hearing at Toronto on June 16th, 1936. Clark Robertson—Fort Frances—Application dated July 3rd, 1936, and dismissed after hearing at Fort Frances on July 7th, 1936.

(b) Truck Service—Clark Robertson, Fort Frances—Application made May 7th, 1935, heard at Fort William July 14th, 1935; application dismissed July 30th, 1935. Clark Robertson, Fort Frances—Application made July 3rd, 1936; application heard at Fort Frances, July 7th, 1936; granted "C" License August 6th, 1936; Class "B" License issued November 10th, 1936. Russell A. Meyers—Application for Class "B" license made August 31st, 1936. Hearing adjourned at request of applicant, and now on list for hearing before the Board on March 22nd, 1937.

# Mr. Nesbitt asked the following Question (No. 89):-

1. How many (a) engineers; (b) assistant engineers; (c) firemen; (d) tinsmiths; (e) plumbers; (f) electricians; (g) steamfitters; (h) carpenters; (i) painters; (j) bricklayers; and (k) artisans of other classes including helpers, are employed in the Parliament Buildings, the East Block of the Parliament Buildings and in houses adjacent to the Parliament Buildings used as supplementary office space. 2. How many cleaners and helpers engaged generally in janitor service are employed in the Parliament Buildings, the East Block of the Parliament Buildings and in adjacent houses used as supplementary office space. 3. How many of the employees mentioned in (1) and (2) are members of the temporary staff; how many are members of the permanent staff and how many are employed on a casual basis.

The Honourable the Minister of Public Works and Highways replied as follows:—

1. (a) 2; (b) 2; (c) 6; (d) 1; (e) 5; (f) 9; (g) 2; (h) 9; (i) 7; (j) 2; (k) 6. 2. 121. 3. 78 (temporary staff); 61 (permanent staff); 33 (casual.)

# Mr. Lancaster asked the following Question (No. 96):-

1. What amount was spent by the Department of Northern Development for snow-plowing from August, 1934, until the time of the abolition of the Department. 2. What amount was spent by the Department of Highways for snow-plowing in the five months ending March 31, 1935, and for the Fiscal Year ending March 31, 1936.

The Honourable the Minister of Public Works and Highways replied as follows:—

The Department of Northern Development is not abolished. The accounts of this Department will be merged with the Department of Highways April 1, 1937. 1. \$82,589.92 to date. 2. 5 months ending March 31, 1935, \$102,893.49; Fiscal year ending March 31, 1936, \$277,282.48.

- Mr. Lancaster asked the following Question (No. 98):-
- 1. What is the length of the Highway connecting North Bay and Sault Ste. Marie. 2. What portion of this Highway is paved. 3. What amounts were spent on this Highway by the Department of Northern Development for the Fiscal Year ending October 31, 1934, for the five months ending March 31, 1935, and for the twelve months ending March 31, 1936.

The Honourable the Minister of Public Works and Highways replied as follows:—

1. 285.0 miles. 2. 19.0 miles. 3. Fiscal Year ending October 31, 1934, \$1,004,171.44; Five months ending March 31, 1935, \$489,651.65; Twelve months ending March 31, 1936, \$472,270.97.

## Mr. Black asked the following Question (No. 127):-

1. What solicitors have been appointed to the Inside Service since this administration took office, stating (a) name of Solicitor; (b) date of appointment; (c) initial salary; (d) present salary; (e) Department to which attached. 2. Did the Civil Service Commissioner issue his certificate with respect to each of such appointments. 3. Was the minimum salary exceeded in any case as per the Classification of the Civil Service and if so, indicate (a) in what cases the minimum salary was exceeded on appointment and (b) why the minimum commencing salary was exceeded.

The Honourable the Prime Minister replied as follows:-

1.—

Name of	Date of	Initial	Present	Department to which attached
Solicitor	Appointment	Salary	Salary	
Silk, Eric H	March 28, 1935 April 8, 1935 June 1, 1935 July 4, 1935 Sept. 1, 1935 March 9, 1936 May 11, 1936 Nov. 2, 1936	\$2,550 yr. \$166.66 mo. \$166.66 mo. \$3,000 yr. \$6,00 dy. \$5,000 yr. \$141.66 mo. \$141.66 mo. \$166.66 mo. \$2,500 yr.	\$3,000 yr. \$2,000 yr. \$2,000 yr. \$3,000 yr. \$2,000 yr. \$5,000 yr. \$1,700 yr. \$1,700 yr. \$166.66 mo. \$2,500 yr.	Attorney-General Agriculture Treasury Public Welfare Attorney-General Treasury Agriculture Attorney-General Attorney-General

2. Yes, with the exception of Arthur O. Klein. 3. Yes. (a) E. H. Silk; J. C. Adams; W. Bredin; R. L. Algie; G. W. Robinette. (b) Qualifications of appointee and responsibilities of position were deemed to justify it.

# Mr. Baird asked the following Question (No. 139):-

1. How many persons are now drawing allowances from the Ontario Public Service Superannuation Fund. 2. How many persons were drawing allowances

from the Ontario Public Service Superannuation Fund when this government took office. 3. How many persons drawing allowances from the Ontario Public Service Superannuation Fund are under the age of 70. 4. How many persons under the age of 65 at superannuation have been superannuated by this government. 5. How many persons between the ages of 65 and 70 at superannuation have been superannuated by this government. 6. How many persons over the age of 70 at superannuation have been superannuated by this government.

The Honourable the Prime Minister replied as follows:-

1. 577. 2. 465. 3. 248. 4. 128. 5. 109. 6. Superannuation is automatic at the age of seventy. Note: The above figures relate to employees who have been superannuated, and do not include any widows or children.

On the motion of Mr. Duckworth, seconded by Mr. Welsh,

Ordered, That there be laid before this House a Return showing: 1. What purchases of coal, giving dealer's name and station, whether Canadian or American coal, were made by the Department of Public Works, from May 1, 1935, to April 30th, 1936, indicating (a) the institutions or buildings for which coal was purchased; (b) the kinds and quantities of coal supplied by each dealer to each institution or building; (c) the per ton price with respect to each kind of coal; (d) the total amount to each dealer with respect to coal supplied each institution or building. 2. Was the coal purchased on a tender basis. 3. Were tenders advertised for and if so, when and in what newspapers. 4. Was every dealer who so desired allowed to tender.

The Order of the Day for resuming the Adjourned Debate on the Motion that Mr. Speaker do now leave the Chair; and that the House resolve itself into the Committee of Supply, having been read,

The Debate was resumed, and after some time, it was on the motion of Mr. Nixon (Brant),

Ordered, That the Debate be adjourned until Monday next.

The House resolved itself into a Committee to consider Bill (No. 72), An Act to amend The Minimum Wage Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 79), The Operating Engineers Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

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Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 80), An Act to amend The Apprenticeship Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 81), An Act respecting Municipal Employees Pensions, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 86), An Act to amend The Mothers' Allowances Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 87), An Act to amend The Old Age Pensions Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 88), The

Municipal Subsidy Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 89), An Act to amend The Assessment Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 90), An Act to amend The Industrial Standards Act, 1935, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 101), The Burlington Beach Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 102), The Municipal Amendment Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report progress and to ask for leave to sit again.

Resolved, That the Committee have leave to sit again on Monday next.

The House resolved itself into a Committee to consider Bill (No. 91), The Dairy Products Amendment Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 92), An Act respecting Plant Diseases and Insects, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 93), An Act respecting the Grading of Farm Products, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 78), An Act to amend The Workmen's Compensation Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 85), The Shallow Lake and Tiverton Rural Power Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 67), The Power Contracts Validation Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 70), An Act to encourage the Mining of Iron Ore, and, after some time spent therein,

Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

The House resolved itself into a Committee to consider Bill (No. 77), An Act respecting the Adoption of a Floral Emblem for the Province of Ontario, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time on Monday next.

· The following Bills were severally read the second time:—

Bill (No. 7), An Act respecting the Township of Sarnia.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 8), An Act respecting the County of Grey and the City of Owen Sound.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 22), An Act respecting the City of St. Catharines.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 20), An Act respecting the City of Belleville.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 21), An Act respecting the Township of East York.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 27), An Act respecting the City of Ottawa.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 16), An Act respecting the City of Hamilton.

Referred to a Committee of the Whole House on Monday next.

Bill (No. 18), An Act respecting the City of Oshawa.

Referred to a Committee of the Whole House on Monday next.

Bill (No. 23), An Act respecting the County of York.

Referred to a Committee of the Whole House on Monday next.

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Bill (No. 71), An Act to amend The Mining Act.

Referred to the Committee on Legal Bills.

Bill (No. 105), The Settlers Pulpwood Protection Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 104), An Act to amend The Tile Drainage Act, 1929.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 107), An Act to amend The Provincial Parks Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 106), The School Law Amendment Act, 1937.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 108), An Act to amend The Pharmacy Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 109), An Act to amend The Telephone Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 103), An Act to amend The Game and Fisheries Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 110), An Act to amend The Securities Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 111), An Act to repeal The Amusements Tax Act.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 112), The Gold Clauses Act, 1937.

Referred to the Committee of the Whole House on Monday next.

Bill (No. 114), An Act respecting the Control of Farm Products.

Referred to the Committee of the Whole House on Monday next.

And the House having continued to sit until twelve of the Clock midnight, Saturday, March 20, 1937,

On motion by Mr. Roebuck, seconded by Mr. McQuesten,

Ordered, That the Resolution of this House passed on the 9th day of April, 1936, Journals of 1936, page 274, which ordered that there be laid before this House a Return showing: The names, salaries and positions of those on the permanent staff of the Hydro-Electric Power Commission at the present time, be and the same is hereby rescinded.

The following Bill was introduced and read the first time:-

Bill (No. 120), intituled "An Act to amend The Milk Control Act." Mr. Marshall.

Ordered, That the Bill be read the second time on Monday next.

On motion by Mr. Hepburn, seconded by Mr. Roebuck,

Ordered, That leave be given to the Legal Bills Committee to sit concurrently with the House on Monday next.

The House then adjourned at 12.12 a.m.

# MONDAY, MARCH 22ND, 1937.

PRAYERS.

11.00 O'CLOCK A.M.

The following Bills were severally read the third time and were passed:-

Bill (No. 72), An Act to amend The Minimum Wage Act.

Bill (No. 79), The Operating Engineers Act.

Bill (No. 80), An Act to amend The Apprenticeship Act.

Bill (No. 81), An Act respecting Municipal Employees Pensions.

Bill (No. 86), An Act to amend The Mothers' Allowances Act.

Bill (No. 87), An Act to amend The Old Age Pensions Act.

Bill (No. 88), The Municipal Subsidy Act, 1937.

Bill (No. 90), An Act to amend The Industrial Standards Act, 1935.

Bill (No. 101), The Burlington Beach Act, 1937.

Bill (No. 91), The Dairy Products Amendment Act.

Bill (No. 92), An Act respecting Plant Diseases and Insects.

Bill (No. 78), An Act to amend The Workmen's Compensation Act.

Bill (No. 85), The Shallow Lake and Tiverton Rural Power Act, 1937.

Bill (No. 67), The Power Contracts Validation Act, 1937.

Bill (No. 70), An Act to encourage the Mining of Iron Ore.

Bill (No. 77), An Act respecting the Adoption of a Floral Emblem for the Province of Ontario.

Bill (No. 45), An Act to amend The Beach Protection Act.

The Order of the Day for the third reading of Bill (No. 89), An Act to amend The Assessment Act, having been read,

Ordered, That the Order be discharged, and that the Bill be forthwith again referred to a Committee of the Whole, with instructions to amend the same.

The House accordingly resolved itself into the Committee; and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had amended the Bill as directed.

Ordered, That the Bill be read a third time to-morrow.

The Order of the Day for the third reading of Bill (No. 93), An Act respecting the Grading of Farm Products having been read.

Ordered, That the Order be discharged, and that the Bill be forthwith again referred to a Committee of the Whole, with instructions to amend the same.

The House accordingly resolved itself into the Committee; and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had amended the Bill as directed.

Ordered, That the Bill be read a third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 104), An Act to amend The Tile Drainage Act, 1929, and, after some time spent therein. Mr. Speaker resumed the Chair; and Mr. Kirby reported. That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 108), An Act to amend The Pharmacy Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 106), The School Law Amendment Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 109), An Act to amend The Telephone Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 111), An Act to Repeal The Amusements Tax Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

Mr. Strachan, from the Standing Committee on Legal Bills, presented the following as their First Report which was read as follows and adopted:—

Your Standing Committee on Legal Bills has carefully considered the provisions of the following Bills: No. 49, An Act to amend The Land Surveyors Act, 1931; Bill No. 53, An Act to amend The Children's Protection Act; No. 55, An Act to amend The Conditional Sales Act; No. 58, The Mortgagors' and Purchasers' Relief Act, 1937; No. 73, An Act to amend The Mechanics' Lien Act; No. 98, An Act to amend The Execution Act; No. 99, An Act to amend The Landlord and Tenant Act.

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Your Committee recommends that Bill No. 53, An Act to amend The Children's Protection Act; Bill No. 98, An Act to amend The Execution Act, and Bill No. 99, An Act to amend The Landlord and Tenant Act be not further proceeded with.

Your Committee begs to report the following Bills without amendment:-

Bill (No. 49), An Act to amend The Land Surveyors Act, 1931.

Bill (No. 55), An Act to amend The Conditional Sales Act.

Bill (No. 58), The Mortgagors' and Purchasers' Relief Act.

Bill (No. 73), An Act to amend The Mechanics' Lien Act.

The following Bills were severally introduced and read the first time:-

Bill (No. 121), intituled "An Act respecting The Abitibi Power and Paper Company, Limited. Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 122), intituled "The Statute Law Amendment Act, 1937." Mr. Roebuck.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 123), intituled "An Act for Raising Money on the Credit of The Consolidated Revenue Fund. Mr. Hepburn.

Ordered, That the Bill be read the second time to-morrow.

On motion by Mr. Ellis, seconded by Mr. Heighington,

Ordered, That there be laid before this House a Return showing: What Treasury Board Orders have been issued since the 1st day of April, 1935. 2. What Special Warrants have been issued since the 1st day of April, 1935, and what sums have been expended under each of these Special Warrants.

Mr. Ellis asked the following Question (No. 11):-

1. What was the total H.P. used by the Hydro-Electric Power Commission during 1936. 2. What was the total H.P. available to the Hydro-Electric Power Commission. 3. What is the percentage of reserve power. 4. Did the Hydro-Electric Power Commission during 1936 refuse any offer to sell power. If so, give the name of the person or corporation who desired to purchase power and the amounts of power which they refused to sell in each case.

The Honourable the Attorney-General replied as follows:—

### 1, 2 and 3.—

| Maximum Loads and Capacities, Calendar Year 19 | 936            |
|--|----------------|
| Maximum Combined Primary and Secondary Peak    | 1,642,294 H.P. |
| Maximum Primary Peaks                          | 1,398,044 "    |
| Available Capacity for System Peaks            | 1,738,172 "    |
| Reserve Capacity in excess of Primary Peak     | 24.3%          |

4. No.

Mr. Kidd asked the following Question (No. 52):-

1. What work requires to be done to complete the revision of the heating system at the Ontario Hospital, Kingston. 2. What is the estimated cost of completing this revision. 3. Has the government any information as to when this work is likely to be completed.

The Honourable the Minister of Health replied as follows:-

1. None. 2. Answered by 1. 3. Answered by 1.

Mr. Elgie asked the following Question (No. 113):-

1. How many Coroners have been dismissed since the present government took office. 2. How many Coroners have been appointed since the present government took office.

The Honourable the Attorney-General replied as follows:-

1. 55. 2. 188 Coroners, 35 Chief Coroners; total 223.

Mr. Nesbitt asked the following Question (No. 119):-

1. Have any Auditors been added to the staff of the Workmen's Compensation Board since April 1, 1935, and if so, what are their names, addresses and salaries, respectively. 2. How many Auditors are now in the employ of the Workmen's Compensation Board.

The Honourable the Attorney-General replied as follows:-

1. No auditors have been added to the staff of The Workmen's Compensation Board since April 1, 1935. 2. There are now seventeen (17) auditors in the employ of The Workmen's Compensation Board.

The Order of the Day for resuming the Adjourned Debate on the Motion that Mr. Speaker do now leave the Chair; and that the House resolve itself into the Committee of Supply, having been read,

The Debate was resumed, and after some time the motion having been put was carried on the following Division:—

#### YEAS

Allen Duncan Anderson Faulkner Armstrong Freeborn Asmussen Fulford Avery Gardhouse Baker Glass Ballantyne Gordon Belanger Guthrie Bethune Habel Blakelock Heenan Bowerman Hepburn Bragg Houck Brownridge Hunter Campbell Kelly Carr King Clark Kirby Colter Lapierre Croll Leduc Croome Marceau Des Rosiers Marshall Dewan Miller Dickson Murray

Macfie McQuesten McVicar Newman Nixon (Brant) Oliver Patterson Roebuck Rowlandson Sangster Schwenger Simpson Sinclair (Bruce) Sinclair (Ontario) Smith Strachan

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#### NAYS

Acres
Baird
Challies
Craig
Duckworth

Elgie Ellis Heighington Henry Kidd

Lancaster Lawrence Macaulay Murphy Nesbitt Welsh—16.

Tanner

Trottier

#### PAIRS

Price—MacBride Black—Robertson And the House, according to Order, resolved itself into the Committee of Supply.

(In the Committee.)

Resolved, That there be granted to His Majesty, for the service for the year ending March 31, 1938, the following sum:—

1. To defray the expenses of the Main Office, Department of Agriculture, \$306,346.25.

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to a Resolution; also, That the Committee had directed him to ask for leave to sit again.

Ordered, That the Report be received to-morrow.

Resolved, That the Committee have leave to sit again to-morrow.

The House resolved itself into a Committee to consider Bill (No. 50), The Dionne Quintuplet Guardianship Amendment Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 110), An Act to amend The Securities Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report progress and to ask for leave to sit again.

Resolved, That the Committee have leave to sit again to-morrow.

The House then adjourned at 6.10 p.m.

### TUESDAY, MARCH 23RD, 1937.

#### PRAYERS.

11.00 O'CLOCK A.M.

Mr. Campbell, from the Standing Committee on Printing, presented their Report which was read as follows and adopted:—

Your Committee recommends that the supplies allowance per member for the current Session be fixed at \$25.00.

Your Committee recommends the purchase of copies of the Parliamentary Guide and the Canadian Almanac for distribution to the Members of the Legislature.

Your Committee recommends that the Sessional Papers for the current year be printed in the following quantities:—

| Public Accounts  | 2,750 |
|--|-------|
| Estimates  | 1,700 |
| Lands and Forests.   | 1.450 |
| Mines  | 3,450 |
| Legal Offices.   | 950   |
| Superintendent of Insurance: Abstract.                               | 700   |
| Detailed   |       |
| Registrar of Loan Corporations: Abstract                             | 500   |
| Detailed   | 600   |
| Public Works   | 500   |
| Game and Fisheries   |       |
| Labour   | 1,450 |
| Minimum Wage Board   | 1,250 |
| Education  | 1,250 |
| University of Toronto  | 1,900 |
| University of Toronto.   | 500   |
| Births, Marriages and Deaths   | 1,450 |
| Optorio Hospital for March 1 S. 1                                    | 1,750 |
| Ontario Hospital for Mentally Subnormal and Epileptics.              | 750   |
| General Hospitals, Hospitals for Incurables, Sanatoria and Red Cross |       |
| Hospitals.   | 1,200 |
| Prisons and Reformatories  | 2,130 |
| Public Welfare   | 2,450 |
| Liquor Control Board   | 1,050 |
| Department of Agriculture (Minister).                                | 1,950 |
| Department of Agriculture (Statistics)                               | 6,450 |
| Telliskaming and Northern Untario Railway                            | 650   |
| Untario Municipal Board  | 800   |
| Hydro-Electric Power Commission                                      | 3,600 |
| Provincial Auditor   | 500   |
| Workmen's Compensation Board   | 1.450 |
| Ontario Veterinary College   | 1.050 |
| Northern Development Act   | 675   |
| -  | 0/3   |

| Provincial Police           | 600   |
|-----------------------------|-------|
| Ontario Research Foundation | 1,450 |
| Niagara Park Commission     | 750   |
| Niagara Park Commission     |       |

The following Bills were severally read the third time and were passed:-

Bill (No. 89), An Act to amend The Assessment Act.

Bill (No. 104), An Act to amend The Tile Drainage Act, 1929.

Bill (No. 108), An Act to amend The Pharmacy Act.

Bill (No. 106), The School Law Amendment Act, 1937.

Bill (No. 109), An Act to amend The Telephone Act.

Bill (No. 111), An Act to Repeal The Amusements Tax Act.

Bill (No. 50), The Dionne Quintuplet Guardianship Amendment Act, 1937.

The House again resolved itself into a Committee to consider Bill (No. 110), An Act to amend The Securities Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House again resolved itself into a Committee to consider Bill (No. 102), The Municipal Amendment Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time to-morrow.

Mr. Welsh asked the following Question (No. 15):-

1. How much additional bed accommodation for patients was added at

each of the Ontario Hospitals during the year ended March 31, 1936, by (a) altering and modernizing existing accommodation; (b) by new construction.

The Honourable the Minister of Health replied as follows:-

1. (a) The Fort William Industrial Farm was taken over by the Department of Health and the necessary alterations made for use as an Ontario Mental Hospital. It was opened as such on March 1st, 1936. On March 31st, 1936, there was a population of 21 patients. Population January 31st, 1937—74 in residence, 13 on probation. Bed capacity, 74. New Toronto—Reconstruction and renovation at Cottages A and B completed for occupation; additional accommodation 104 beds. Hamilton—Renovation of East house completed for occupation; additional accommodation 60 beds. (b) Nil.

Mr. Ellis asked the following Question (No. 74):-

1. What were the total costs to the Province of Ontario for relief administration for the years (a) 1933; (b) 1935.

The Honourable the Minister of Public Welfare replied as follows:-

| (a) | Provincial Administration Territorial District Administration                            | \$130,027.21<br>43,047.24                            |
|-----|--|--|
|     | _  | \$173,074.45   |
| (b) | Provincial Administration  Territorial District Administration  Municipal Administration | \$170,693.76 (1)<br>102,114.30 (2)<br>199,959.00 (3) |
|     | -  | \$472,767.06   |

Notes: (1) Increase due to the institution of a spot check system which preceded a purging of municipal relief rolls. Also due to more regular auditing of municipal relief accounts, resulting in more prompt settlement of municipal claims.

- (2) Increase due to voluntary services of relief recipients being replaced by paid officials who are more capable of impartial administration of relief.
  - (3) This amount recovered from municipalities.

Mr. Ellis asked the following Question (No. 75):-

1. What was the total expenditure for relief in Ontario from all government sources—Dominion, Provincial, Municipal, for the calendar year 1935. 2. What amount of the above total was contributed by (a) Dominion Government; (b) Provincial Government; (c) Municipalities. 3. What was the total expenditure

for relief in Ontario from all Government sources—Dominion, Provincial, Municipal, for the calendar year 1936. 4. What amount of the above total was contributed by (a) Dominion Government; (b) Provincial Government; (c) Municipalities.

The Honourable the Minister of Public Welfare replied as follows:-

|      | Total<br>Expenditure  | Contributed<br>by Dominion<br>Government | Contributed<br>by Provincial<br>Government                          | by                           |
|------|---|--|---|------------------------------|
| 1933 | \$28,564,937.81<br>33,176,575.91<br>36,565,059.25<br>*30,804,267.69 | 10,296,107.49<br>7,650,000.00            | \$11,173,611.32<br>15,726,211.98<br>20,772,004.81<br>*12,263,118.65 | 7,154,256.49<br>8,143,054.44 |

<sup>\*</sup> Estimated; considered accurate to 1/10 of 1%.

Note: The figures for 1933 and 1934 have been added to show the extent to which the Federal grant became out of line with the Provincial contribution. It was not until 1936 that we were able to adhere to the dollar for dollar basis of contribution to municipalities, and at the same time reduce municipal relief costs.

# Mr. Murphy asked the following Question (No. 78):-

1. In what municipalities, supervised or otherwise, were relief staffs set up who were paid from the Provincial Treasury since July 15th, 1934. 2. Is this policy still in force. If not, when was it discontinued, and why. 3. If this policy was discontinued how many persons were discharged from the employment of the Ontario Government by the change.

# The Honourable the Minister of Public Welfare replied as follows:-

1. Eastview, East York, East Windsor, Etobicoke, Hawkesbury, LaSalle, Long Branch, Midland, Mimico, New Toronto, Niagara Falls, North York, Pembroke, Riverside, Rockland, Sandwich, Sandwich E., Sandwich W., Scarborough, Sudbury, Tecumseh, Thorold, Windsor, York. 2. No. Discontinued August 31st, 1935, when supervised municipalities were placed on same administrative basis as other municipalities. 3. None discharged because of transfer as the local staffs were turned over to the municipalities.

# Mr. Murphy asked the following Question (No. 79):-

How many persons were registered for relief in Ontario in (a) February, 1936; (b) March, 1936; (c) April, 1936.

The Honourable the Minister of Public Welfare replied as follows:

<sup>(</sup>a) 441,617; (b) 432,823; (c) 404,368.

### Mr. Black asked the following Question (No. 86):-

1. What was the total contribution made by the Dominion Government to the Province of Ontario for relief purposes for (a) the calendar year 1935; (b) the calendar year 1936. 2. What amount including Dominion grants was paid to the municipalities for relief purposes during (a) calendar year 1935; (b) calendar year 1936. 3. What was the text of the Dominion Order-in-Council under which increased grants were given to the Province for the months: December, 1935; January, 1936; February, 1936; March, 1936.

The Honourable the Minister of Public Welfare replied as follows:

| 1. and 2.— | Dominion Government<br>contribution for<br>direct relief | Dominion and Provincial payments to municipalities for direct relief |
|------------|--|--|
| 1933       | \$10,435,741.81  | \$21,609,353.13  |
| 1934       | 10,296,107.49  | 26,022,319.38  |
| 1935       | 7,650,000.00   | • 28,422,004.81  |
| 1936       | 10,647,000.00  | 22,910,118.65*   |

<sup>\*</sup> Estimated; considered accurate to 1/10 of 1%.

### 3. Copy tabled.

Notes: The figures for 1933 and 1934 have been added to show the extent to which the Federal grant became out of line with the Provincial contribution. It was not until 1936 that we were able to adhere to the dollar for dollar basis of contribution to municipalities, and at the same time reduce municipal relief costs.

# Mr. Elgie asked the following Question (No. 95):-

1. What Royal Commissions have been appointed by the Government since the first day of March, 1935. 2. What has been the cost of each of such Royal Commissions. 3. Who have been employed in each case as Commissioners, Experts, Engineers, Counsel, Solicitors or other employees. 4. What remuneration, honorarium or allowance of any nature, including travelling expenses has been paid to each of such persons.

The Honourable the Prime Minister replied as follows:-

## Attorney-General's Department:

1. Toronto Police Force Investigation. 2. Cost borne by the City of Toronto. 3. His Honour, D. C. Ross, Judge of the County Court of the County of Elgin, Commissioner. N. F. Newton, Commission Counsel. Cecil Carrick, Registrar. His Honour, J. J. Coughlin, Judge of the County Court of the County of Essex, Commissioner. 4. Answered by 2.

### Department of Provincial Secretary:

1. His Honour, James Ernest Madden, respecting the Ontario Reformatory, Guelph, January 18, 1937. 2. No final adjustment as yet. 3. His Honour, James Ernest Madden, Commissioner; Mr. J. G. Gillanders, K.C., Counsel; Mr. R. C. Bone, Assistant Counsel; Mr. Sidney Brown, Official Reporter. 4. Answered by 2.

### Department of Health:

1. Investigation of the Ontario Hospital, New Toronto, August, 1935. 2. \$487.35. 3. Commissioner, W. B. Common, K.C.; Counsel, Eric H. Silk; Assistant Counsel, K. G. Gray; Court Reporter, Phillip N. O'Hara. 4. Commissioner and Counsel acted without remuneration. The reporter received \$487.35.

### Department of Municipal Affairs:

1. A Commission to inquire into the financial affairs of the Town of Collingwood, under date of February 4th, 1937. 2. No report of expenses as yet, but such expenses will be paid by the municipality. 3. Commissioner, W. D. Roach; Counsel, J. G. Hood. 4. Answered by 2.

# Mr. Ellis asked the following Question (No. 106):-

1. What was the closing date for the receipt of revenue for the credit of the Fiscal Year ending March 31, 1936. 2. What was the closing date for the payment of accounts for the Fiscal Year ending March 31, 1936. 3. What was the amount of accounts, if any, incurred previous to March 31, 1936, but held over for payment in the next Fiscal Year.

The Honourable the Prime Minister and Provincial Treasurer replied as follows:—

1. Revenue properly belonging to the fiscal year ended March 31st, 1936, in the hands of the Province or Agents of the Province, or in the mails, as at March 31st, 1936, was taken in and credited to the fiscal year ended March 31st, 1936. 2. Accounts for expenditures properly chargeable to the appropriations for the fiscal year ending March 31st, 1936, were accepted by the Provincial Auditor up to April 20th, 1936, as authorized by Order-in-Council dated 21st day of March, 1936, passed pursuant to The Audit Act. 3. No accounts properly payable in fiscal year ending March 31st, 1936, for which bills were received, were held over for payment in the next fiscal year.

# Mr. Ellis asked the following Question (No. 107):-

1. What bonds have been sold by the present Government since February 26, 1936. 2. What was the amount of each issue sold. 3. What were the net proceeds to the Government of each issue sold. 4. What price was obtained for each issue sold and what prices were submitted. 5. What was the rate of

interest on each issue sold and the maturities thereof. 6. To whom were such issues sold. 7. Were tenders called for in all cases. 8. If so, what was the amount of each tender. 9. If bonds were sold otherwise than by tender why were tenders not called for and specify issues sold otherwise than by tender.

The Honourable the Prime Minister and Provincial Treasurer replied as follows:—

| 1.         | 2.           | 3.              | 4.       | 5.                 |
|------------|--------------|-----------------|----------|--------------------|
| Series     | Amount       | Net Proceeds    | Price    | Rate of Interest   |
|            |              |                 | Obtained | and Maturity       |
| "R.A."     | \$20,000,000 | \$19,702,000.00 | 98.51    | 3%—1 Dec., 1951    |
| dated 1st  |              |                 |          |                    |
| Dec., 1936 |              |                 |          |                    |
| "R.B."     | 5,000,000    | 4,932,500.00    | 98.65    | 2½%—15 Jan.1943-47 |
| dated      | 10,029,000   | 9,880,570.80    | 98.52    | 3%—15 Jan. 1948-62 |
| 15th Jan., |              |                 |          |                    |
| 1937.      | \$15,029,000 | \$14,813,070.80 |          | •                  |

- 6. To whom sold—Canadian Bank of Commerce; Royal Bank of Canada; A. E. Ames & Co.; Dominion Securities Corporation; Wood, Gundy & Co., Ltd.
- 7. No. 8. Answered by No. 7. 9. The Treasury endeavours to sell its bonds by a method which will be most advantageous to the Province; sometimes this can be best accomplished by tender, at other times by private arrangement. In the case of the above issues, for which a record low interest rate was established, sale by private arrangement was the most advantageous to the Province.

# Mr. Elgie asked the following Question (No. 114):-

1. Who is the Crown Attorney at Brantford and what territory comes within his jurisdiction. 2. When was he appointed, by whom was he recommended and what is his salary. 3. Who was his predecessor and what was his salary at time of retirement. 4. Was the predecessor dismissed, was he requested to resign or did he retire voluntarily.

The Honourable the Attorney-General replied as follows:-

1. F. E. D. Wallace is Crown Attorney and Clerk of the Peace in and for the County of Brant. 2. Appointed by Order-in-Council dated February 22, 1935, effective as and from the 1st of March, 1935. His appointment was recommended by the Honourable the Attorney-General. His fees are commuted at \$3,500 per annum. 3. Mr. W. M. Charlton was Mr. Wallace's predecessor. He was on fees. His net income for 1934 was \$4,321.13. 4. Mr. Charlton was dismissed, his appointment being revoked by Order-in-Council dated February 22, 1935, effective as and from the 1st of March, 1935.

1. How many persons are now employed on Relief Works.

The Honourable the Minister of Public Welfare replied as follows:-

1. Impossible to ascertain number of persons employed on relief works. Approximately 170 municipalities have initiated relief works schemes and are using relief labour.

# Mr. Lancaster asked the following Question (No. 134):-

1. What is the total amount of Succession Duty free bonds bought in by the Government since August 31st, 1934. 2. What is the total amount of Succession Duty Free bonds still outstanding.

The Honourable the Prime Minister and Provincial Treasurer replied as follows:—

1. \$996,587.

2. In the Hands of the Public

| Canada—Series A—4%                            | \$346,050<br>57,000<br>788,400 | \$1,191,450.00 |
|---|--------------------------------|----------------|
| England—Inscribed Stock—4%Inscribed Stock—4½% | \$1,541,335.70<br>827,915.55   | 2,369,251.25   |
|   |                                | \$3,560,701.25 |

# Mr. Murphy asked the following Question (No. 143):-

1. What is the estimated forest area burned over in Ontario in the summer of 1936 and the estimated quantities and value of each type of timber destroyed.

2. What was the location of each area burned over during the calendar year 1936.

The Honourable the Minister of Lands and Forests replied as follows:-

1. (a) 1,264,433 acres; (b) Quantities destroyed unknown; (c) Estimated quantities in burnt areas, as follows: Log Timber 101,000,000 ft. B.M.; Pulpwood 1,427,000 cords; Ties 1,670,000. This estimate valued on basis of Crown Dues at \$1,216,700. (Large quantities of the affected timber as indicated above being cut and salvaged this season.)

| 2. Forest Districts | No. of Acres |
|---------------------|--------------|
| Port Arthur         | 358,939      |
| Sioux Lookout       |              |
| Rainy River         |              |
| Sault Ste. Marie    | 190,499      |
| Kenora              |              |
| Georgian Bay        | 63,589       |
| Kapuskasing         | 39,677       |
| Sudbury             |              |
| North Bay           | 13,270       |
| Trent               | 3,806        |
| Cochrane            |              |
| Algonquin           | 1,840        |

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### Mr. Lancaster asked the following Question (No. 144):-

1. Since March 20, 1936, how many licenses have been granted by this government for the export of pulpwood cut from Crown Lands. 2. To whom were these licenses granted and upon what date and for what quantity in each case. 3. What was the cordage and the value of pulpwood exported from Ontario from January 1, 1936, to January 1, 1937.

The Honourable the Minister of Lands and Forests replied as follows:-

1. Orders-in-Council of May 20th, 1936, and October 22nd, 1936, gave authority for export of wood cut in seasons of 1936-37 and 1937-38. Order-in-Council of July 24th, 1935, provided authority for export of wood cut in season of 1935-36. 2. Export clearances under authority quoted in answer to (1) issued to:

| 4006 35 4                   | Cords                                 |
|-----------------------------|---------------------------------------|
| 1936—MarchRemus Bros        | 1,153                                 |
| April Pigeon Timber Co. Ltd | 15                                    |
| MayPigeon Timber Co. Ltd    | 1,100                                 |
| JunePigeon Timber Co. Ltd   | 6,600                                 |
| JunePigeon Timber Co. Ltd   |                                       |
| JunePigeon Timber Co. Ltd   | 6,500                                 |
| B-0-1 Zimber Co. Etd        | 2,200                                 |
| good Timber Co. Ltd         | 10,635                                |
| JuneOscar Styffe, Ltd       | 2,000                                 |
| June                        | 2,514                                 |
| JuneNewaygo Timber Co. Ltd  | 10,746                                |
| JuneThos. Falls             | 5,500                                 |
| JuneD. A. Clark             | ,                                     |
| JulyPigeon Timber Co. Ltd   | 2,815                                 |
| July Pigeon Timber Co. Ltd. | 3,300                                 |
| JulyPigeon Timber Co. Ltd   | 6,600                                 |
| JulyOscar Styffe, Ltd       | 2,294                                 |
| JulyOscar Styffe, Ltd       | · · · · · · · · · · · · · · · · · · · |
|                             | 9,500                                 |
|                             | 1,100                                 |
| July                        | 3,000                                 |
| JulyC. W. Cox, Ltd          | 2,000                                 |
| July D. A. Clark            |                                       |
| Clark                       | 2,000                                 |

|               |                            | Cords   |
|---------------|----------------------------|---------|
| 1936—August   | Pigeon Timber Co., Ltd     | 3,300   |
| August        | Pigeon Timber Co. Ltd      | 4,400   |
| August        | C. W. Cox, Ltd             | 6,000   |
| August        | J. A. Ward and H. F. Baker | 745     |
| September     | mut t Ci T 1               | 750     |
| September     | Pigeon Timber Co. Ltd      | 2,200   |
| September     | Thos. Falls                | 100     |
| September     | C. W. Cox, Ltd             | 4,000   |
| October       | Pigeon Timber Co. Ltd      | 3,300   |
| October       | Oscar Styffe Ltd           | 1,800   |
| October       | C. W. Cox, Ltd             | 1,100   |
| November      | Pigeon Timber Co. Ltd      | 1,1()() |
| November      | Oscar Styffe Ltd           | 1,200   |
| November      | C. W. Cox Ltd              | 2,400   |
| November      | G. W. Jones                | 20      |
| December      | G. W. Jones                | 519     |
|               | G. W. Jones                | 266     |
| December      | G. W. Jones                | 129     |
| December      | G. W. Jones                | 263     |
| 1937—February | G. W. Jones                | 73      |
| February      | G. W. Jones                | 30      |
| February      | Armstrong Forest Co        | 42      |
| February      | Remus Bros                 | 272     |

3. 338,995 cords valued at \$2,671,862.53, of which (a) 118,254 cords were taken from Crown land; (b) 220,741 cords were taken elsewhere.

# Mr. Kidd asked the following Question (No. 146):-

1. What amount of insurance has been placed with Lloyd's of London by all government departments and the Hydro-Electric Power Commission of Ontario from (a) October 31, 1934, to July 15, 1936; (b) July 15, 1936, to date.

2. Through what agent or agents were these contracts placed. 3. What was the total amount placed through each agent.

# The Honourable the Attorney-General replied as follows:-

This should be a Return. All departments must be circularized. There may be fire insurance on a Mining Recorder's Office or car insurance on an automobile, placed locally. It will take time to check.

# Mr. Duckworth asked the following Question (No. 147):-

1. Did the car that George Tredaway who appears as a chaffeur on page F-10 Public Accounts, 1936, was driving on February 2nd, 1937, with Hon. Dr. Simpson and Hon. Dr. Faulkner as passengers, belong to the Ontario Government.

The Honourable the Minister of Education replied as follows:-

1. No; and the chauffeur's time was charged against, and paid by, the Minister of Health, according to his practice when making use of such a service.

Mr. Craig asked the following Question (No. 148):-

1. (a) Was an undertaking given to any person, persons or corporation by a representative of the unemployment relief branch in August, 1936, to purchase some 12,000 tons of fuel; (b) By whom was the undertaking signed; (c) Was the undertaking or agreement carried out. If not, why not; (b) Was Mr. Ben Adelman, acting as a representative of the Minister of Welfare in connection with purchases from the Pocaton Coal Company; (e) Was Mr. L. E. Hagedorn a representative of the Minister in the above matter; (f) Are Mr. Hagedorn or Mr. Adelman now employed by the Department of Public Welfare and if not, why not.

The Honourable the Minister of Public Welfare replied as follows:-

1. (a) Yes. Actual date, July 30th, 1935; (b) L. E. Hagedorn as Supervisor of Purchasing and Miss N. H. Wark, as Acting Relief Administrator; (c) No. The Supervisor of Purchasing completed this contract contrary to instructions from the Accountant of the Department and was suspended for this reason. The Acting Relief Administrator was an innocent party in this transaction since the Accountant's instructions to the Supervisor of Purchasing were not relayed to her; (d) No; (e) The Minister was in England at the time of this transaction and Mr. Hagedorn was representing only himself as Supervisor of Purchasing and Mr. D. B. Harkness, Acting Secretary of Unemployment Relief; (f) Mr. Adelman was never connected with any Department of the Government in any way. Mr. Hagedorn's services were dispensed with as from August 6th, 1935, for dereliction of duty.

Mr. Macaulay asked the following Question (No. 151):-

1. What was the amount spent in repairs, alterations, extensions and new construction in the Ontario Hospitals in the fiscal years ending October 31, 1933, and March 31, 1936, excluding expenditures on the Ontario Hospital, Fort William.

The Honourable the Minister of Health replied as follows:—

1. Year ended October 31, 1933, \$482,401.46; Year ended March 31, 1936, \$138,194.90.

On motion of Mr. Kidd, seconded by Mr. Ellis,

Ordered, That there be laid before this House a Return showing: The amount of income tax remitted by the Government to each municipality in Ontario by the Treasury.

Mr. Lawrence moved, seconded by Mr. Duckworth,

That the Petition of Local Union No. 796 of the International Union of Stationary Operating Engineers making certain allegations in connection with the operations of the Engineering Branch of the Department of Labour be referred to the Standing Committee on Labour with instructions to the said Committee to investigate the matters therein complained of and to report back to this House.

The Motion having been put was lost and so it was declared in the negative.

On motion of Mr. Elgie, seconded by Mr. Duckworth,

Ordered, That there be laid before this House a Return showing: 1. How many motor cars have been purchased by the present government since taking office. 2. From whom was each car purchased. 3. What was the make of each car purchased. 4. What was the delivered cost of each car. 5. How many motor cars are now owned by the Government, how many cars are assigned to the various departments and how many are for general governmental use.

On motion of Mr. Acres, seconded by Mr. Baird,

Ordered, That there be laid before this House a Return showing: 1. How many (a) Tractors; (b) Power Graders; (c) Horse-drawn Graders; (d) Paving Machines; (e) Other pieces of road machinery, have been purchased by the Northern Development Department or by the Department of Highways for use in the territory in which road building and repair operations were formerly in charge of the Northern Development Department, for the fiscal years ending March 31, 1935, March 31, 1936, and for the ten months ending January 31, 1937, indicating the type and cost of each machine and from whom purchased. 2. How many pieces of Road Machinery are now in use on the Ferguson Highway or are stored in depots along said highway. 3. How many (a) picks and (b) shovels form part of the Ferguson Highway equipment and how many are stored at the respective depots. 4. What was the maximum number of workmen and labourers including foremen, employed on the Ferguson Highway during the fiscal year ending March 31, 1936.

The Order of the Day for the second reading of Bill (No. 96), An Act to Repeal Chapter 4 of the Statutes of Ontario, 1936, having been read, and a Debate arising, after some time it was on the motion of Mr. Hepburn,

Ordered, That the Debate be adjourned.

The Order of the Day for the second reading of Bill (No. 115), An Act to amend The Highway Traffic Act, having been read, and the Motion having been put was lost and so it was declared in the negative.

The Order of the Day for the second reading of Bill (No. 116), An Act to amend The Negligence Act, 1930, having been read, and the Motion having been put was lost and so it was declared in the negative.

The following Bills were severally read the second time:—

Bill (No. 113), The Territorial Division Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 117), An Act to amend The Municipal Drainage Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 118), An Act to amend The Highway Traffic Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 119), An Act to amend The Commercial Vehicle Act, 1936.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 120), An Act to amend The Milk Control Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 121), An Act respecting The Abitibi Power and Paper Company, Limited.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 122), The Statute Law Amendment Act, 1937.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 123), An Act for Raising Money on the Credit of The Consolidated Revenue Fund.

Referred to the Committee of the Whole House to-morrow.

The Order of the Day for the third reading of Bill (No. 93), An Act respecting the Grading of Farm Products, having been read.

Ordered, That the Order be discharged, and that the Bill be forthwith again referred to a Committee of the Whole, with instructions to amend the same.

The House accordingly resolved itself into the Committee; and, after some

time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had amended the Bill as directed.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 105), The Settlers Pulpwood Protection Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 107), An Act to amend The Provincial Parks Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 114), An Act respecting the Control of Farm Products, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 112), The Gold Clauses Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 103), An Act to amend The Game and Fisheries Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee, severally to consider the following Bills:—

Bill (No. 7), An Act respecting the Township of Sarnia.

Bill (No. 8), An Act respecting the County of Grey and the City of Owen Sound.

Bill (No. 22), An Act respecting the City of St. Catharines.

Bill (No. 20), An Act respecting the City of Belleville.

Bill (No. 21), An Act respecting the Township of East York.

Bill (No. 27), An Act respecting the City of Ottawa.

Bill (No. 16), An Act respecting the City of Hamilton.

Bill (No. 18), An Act respecting the City of Oshawa.

Bill (No. 23), An Act respecting the County of York.

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report several Bills without amendment and two with amendments.

The Amendments having been read the second time were agreed to.

Ordered, That the Bills reported be severally read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 47), An Act to amend The Public Health Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 54), An Act to amend The Voters' Lists Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 100), An Act to amend The Dog Tax and Live Stock Protection Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 29), An Act to amend The Municipal Drainage Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered. That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 49), An Act to amend The Land Surveyors Act, 1931, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 55), An Act to amend The Conditional Sales Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 58), The Mortgagors' and Purchasers' Relief Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 73), An Act to amend The Mechanics' Lien Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 97), An Act to amend The Highway Traffic Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The following Bills were severally introduced and read the first time:-

Bill (No. 124), intituled "An Act to amend the Legislative Assembly Act." Mr. Hepburn.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 125), intituled "An Act to amend The Provincial Land Tax Act." Mr. Heenan.

Ordered, That the Bill be read the second time to-morrow.

Bill (No. 126), intituled "An Act to amend The Insurance Act." Mr. Duckworth.

Ordered, That the Bill be read the second time to-morrow.

Mr. Colter, from the Standing Committee on Private Bills, presented their Fifth Report which was read as follows and adopted:—

Your Committee beg to report the following Bill without amendment:-

Bill (No. 9), An Act respecting the Association of Professional Engineers.

Your Committee beg to report the following Bills with certain amendments:—

Bill (No. 14), An Act respecting the Town of Renfrew.

Bill (No. 17), An Act respecting the City of Brantford.

Bill (No. 19), An Act respecting the City of London.

Bill (No. 26), An Act respecting the Village of Forest Hill.

Bill (No. 28), An Act respecting the Municipality of Dysart.

With respect to Bill (No. 24), "An Act respecting the City of Peterborough," this Bill was not proceeded with, the same having been withdrawn by the promoters thereof.

The House, according to Order, again resolved itself into the Committee of Supply.

## (In the Committee.)

Resolved, That there be granted to His Majesty, for the services for the year ending March 31st, 1938, the following sums:—

| 2. To defray the expenses of the Statistics and Publications        |             |
|---|-------------|
| Branch  | \$11,800.00 |
| 3. To defray the expenses of the Agricultural and Horticultural     |             |
| Societies Branch  | 120,800.00  |
| 4. To defray the expenses of the Live Stock Branch                  | 76,175.00   |
| 5. To defray the expenses of the Institutes Branch                  | 71,350.00   |
| 6. To defray the expenses of the Dairy Branch                       | 129,600.00  |
| 7. To defray the expenses of the Milk Control Board                 | 56,580.00   |
| 8. To defray the expenses of the Fruit Branch                       | 88,124.00   |
| 9. To defray the expenses of the Agricultural Representatives       |             |
| Branch  | 308,100.00  |
| 10. To defray the expenses of the Crops, Seeds and Weeds Branch     | 35,650.00   |
| 11. To defray the expenses of the Commissioner of Marketing         | 21,175.00   |
| 12. To defray the expenses of the Kemptville Agricultural School    | 88,101.50   |
| 13. To defray the expenses of the Ontario Veterinary College        | 53,925.00   |
| 14. To defray the expenses of the Western Ontario Experimental      |             |
| Farm  | 27,375.00   |
| 15. To defray the expenses of the Demonstration Farm, New           |             |
| Liskeard  | 12,000.00   |
| 16. To defray the expenses of the Demonstration Farm, Hearst        | 5,000.00    |
| 17. To defray the expenses of the Ontario Agricultural College      | 740,272.00  |
| 18. To defray the expenses of the Fruit Branch                      | 33,000.00   |
| 19. To defray the expenses of the Commissioner of Marketing         | 2,500.00    |
| 20. To defray the expenses of the Ontario Agricultural College      | 23,000.00   |
| 21. To defray the expenses of the Main Office, Department of        |             |
| Attorney-General  | 131,015.00  |
| 22. To defray the expenses of the Supreme Court of Ontario          | 88,050.00   |
| 23 To defray the expenses of the Shorthand Reporters                | 30,600.00   |
| 24. To defray the expenses of the Office of Toronto and York        |             |
| Crown Attorney  | 28,000.00   |
| 25. To defray the expenses of the Office of Land Titles             | 26,700.00   |
| 26 To defray the expenses of the Office of Drainage Trials          | 2,650.00    |
| 27. To defray the expenses of the Office of Audit of Criminal       | 044 070 00  |
| Tustice Accounts  | 865,070.00  |
| 28. To defray the expenses of the Office of Public Trustee          | 61,320.00   |
| 20 To defray the expenses of the Office of the Fire Marshal         | 64,050.00   |
| 30. To defray the expenses of the Office of Inspector of Legal      | 24 775 00   |
| Offices   | 34,775.00   |
| 31. To defray the expenses of the Office of Local Masters of Titles | 48,100.00   |
| 32. To defray the expenses of the Deputy Clerks of the Crown and    | 7,000.00    |
| Local Registrars  | 7,000.00    |
| 33. To defray the expenses of the Law Enforcement Branch            | 880,195.00  |
| (Provincial Police)   | 61,225.00   |
| 34. To defray the expenses of the Ontario Securities Commission     |             |
| 101. To defray the expenses of the Insurance Department             | 03,193.00   |

| 35. To defray the expenses of the Main Office, Department of  |           |
|---|-----------|
| Education\$   | 72,100.00 |
| 36. To defray the expenses of the Legislative Library         | 17,025.00 |
| 37. To defray the expenses of the Public Records and Archives | 8,575.00  |

And the House having continued to sit until twelve of the Clock midnight,—

Wednesday, March 24, 1937.

| 38. | To defray the expenses of the Public and Separate School  |              |
|-----|---|--------------|
|     | Education   |              |
|     | To defray the expenses of the Inspection of Schools   | 555,051.00   |
|     | To defray the expenses of the Departmental examinations   |              |
|     | To defray the expenses of the Text Books  |              |
| 42. | To defray the expenses of the Training Schools  | 117,800.00   |
| 43. | To defray the expenses of the Toronto Normal and Model  |              |
|     | Schools   | 129,525.00   |
| 44. | To defray the expenses of the Ottawa Normal and Model   |              |
|     | Schools   | 85,250.00    |
|     | To defray the expenses of the London Normal School  | 42,150.00    |
| 46. | To defray the expenses of the Hamilton Normal School  | 40,625.00    |
| 47. | To defray the expenses of the Peterborough Normal School  |              |
| 48. | To defray the expenses of the Stratford Normal School   | 34,980.00    |
| 49. | To defray the expenses of the North Bay Normal School   | 37,800.00    |
| 50. | To defray the expenses of the University of Ottawa Normal   |              |
| E 1 | School  | 89,525.00    |
| 51. | To defray the expenses of the High Schools and Collegiate   |              |
| 50  | Institutes  |              |
| 52. | To defray the expenses of the Public Libraries  | 93,000.00    |
| 54  | To defray the expenses of the Vocational Education  | 1,316,500.00 |
| J4. | To defray the expenses of the Ontario Training College for  |              |
| 5.5 | Technical Teachers  | 22,800.00    |
| 56  | To defray the expenses of the Superannuated Teachers  | 15,800.00    |
| 57  | To defray the expenses of the Provincial and other Universities   |              |
| 58  | To defray the expenses of the Belleville School for the Deaf  | 145,225.00   |
| 59  | To defray the expenses of the Brantford School for the Blind<br>To defray the expenses of the Monteith Northern Academy | 88,349.00    |
| 0). | To deflay the expenses of the Monteith Northern Academy   | 5,200.00     |

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to several Resolutions; also, That the Committee had directed him to ask for leave to sit again.

Ordered, That the Report be received to-morrow.

Resolved, That the Committee have leave to sit again to-morrow.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Report of the Department of Health, Ontario, 1936. (Sessional Papers No. 14.)

Also, Report of the Department of Mines, Ontario. (Sessional Papers No. 4.)

Also, Report of the Commissioner of the Ontario Provincial Police, from April 1, 1935, to March 31, 1936. (Sessional Papers No. 34.)

Also, Report upon The Ontario Hospitals for the Mentally Ill, Mentally Subnormal and Epileptic. (Sessional Papers No. 15.)

Also, Report upon the Hospitals and Sanitoria of the Province of Ontario for year ending September 30, 1936. (Sessional Papers No. 16.)

Also, Return to an Order of this House dated April 9th, 1936, that there be laid before this House a Return showing: 1. How many employees have been engaged by the Hydro-Electric Power Commission since April 15, 1935. 2. What are the names, position, salary and address in each case. (Sessional Papers No. 52.)

Also, Report of the Hospital Commission on the Ontario Government Hospitals. (Sessional Papers No. 53.)

The House then adjourned at 3.15 a.m.

### WEDNESDAY, MARCH 24th, 1937.

#### PRAYERS.

11.00 O'CLOCK A.M.

The following Bills were severally read the third time and were passed:-

Bill (No. 93), An Act respecting the Grading of Farm Products.

Bill (No. 110), An Act to amend The Securities Act.

Bill (No. 102), The Municipal Amendment Act, 1937.

Bill (No. 105), The Settlers Pulpwood Protection Act.

Bill (No. 107), An Act to amend The Provincial Parks Act.

Bill (No. 112), The Gold Clauses Act, 1937.

Bill (No. 114), An Act respecting the Control of Farm Products.

Bill (No. 103), An Act to amend The Game and Fisheries Act.

Bill (No. 7), An Act respecting the Township of Sarnia.

Bill (No. 8), An Act respecting the County of Grey and the City of Owen Sound.

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Bill (No. 22), An Act respecting the City of St. Catharines.

Bill (No. 20), An Act respecting the City of Belleville.

Bill (No. 21), An Act respecting the Township of East York.

Bill (No. 27), An Act respecting the City of Ottawa.

Bill (No. 16), An Act respecting the City of Hamilton.

Bill (No. 18), An Act respecting the City of Oshawa.

Bill (No. 47), An Act to amend The Public Health Act.

Bill (No. 54), An Act to amend The Voters' Lists Act.

Bill (No. 100), An Act to amend The Dog Tax and Live Stock Protection Act.

Bill (No. 29), An Act to amend The Municipal Drainage Act.

Bill (No. 49), An Act to amend The Land Surveyors Act, 1931.

Bill (No. 55), An Act to amend The Conditional Sales Act.

Bill (No. 58), The Mortgagors' and Purchasers' Relief Act, 1937.

Bill (No. 73), An Act to amend The Mechanics' Lien Act.

The following Bills were severally read the second time:-

Bill (No. 9), An Act respecting the Association of Professional Engineers.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 14), An Act respecting the Town of Renfrew.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 17), An Act respecting the City of Brantford.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 19), An Act respecting the City of London.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 26), An Act respecting the Village of Forest Hill.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 28), An Act respecting the Municipality of Dysart.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 124), An Act to amend The Legislative Assembly Act.

Referred to the Committee of the Whole House to-morrow.

Bill (No. 125), An Act to amend The Provincial Land Tax Act.

Referred to the Committee of the Whole House to-morrow.

On motion of Mr. Hepburn, seconded by Mr. Roebuck,

Ordered, That this House do forthwith resolve itself into a Committee to consider a certain proposed Resolution respecting An Act for Raising Money on the Credit of the Consolidated Revenue Fund.

Mr. Hepburn acquainted the House that His Honour the Lieutenant-Governor having been informed of the subject matter of the proposed Resolution recommends it to the consideration of the House.

The House then resolved itself into the Committee.

Resolved,

(In the Committee.)

- 1. That the Lieutenant-Governor in Council be authorized to raise from time to time by way of loan such sum or sums of money as may be deemed expedient for any or all of the following purposes, that is to say: For the public service, for works carried on by commissioners on behalf of Ontario, for the covering of any debt of Ontario on open account, for paying any floating indebtedness of Ontario, and for the carrying on of the public works authorized by the Legislature; Provided that the principal amount of any securities issued and the amount of any temporary loans raised under the authority of this Act, including any securities issued for the retirement of the said securities or temporary loans, at any time outstanding, shall not exceed in the whole Twenty Million Dollars (\$20,000,000).
- 2. That the aforesaid sum of money may be borrowed for any term or terms not exceeding forty years, at such rate as may be fixed by the Lieutenant-Governor in Council and shall be raised upon the credit of the Consolidated Revenue Fund of Ontario, and shall be chargeable thereupon.
- 3. That the Lieutenant-Governor in Council may provide for a special sinking fund with respect to the issue herein authorized, and such sinking fund may be at a greater rate than the one-half of one per centum per annum specified in subsection 2 of section 5 of The Provincial Loans Act.

Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had come to a certain Resolution.

Ordered, That the Report be now received.

Resolved,

- 1. That the Lieutenant-Governor in Council be authorized to raise from time to time by way of loan such sum or sums of money as may be deemed expedient for any or all of the following purposes,—that is to say: For the public service, for works carried on by commissioners on behalf of Ontario, for the covering of any debt of Ontario on open account, for paying any floating indebtedness of Ontario, and for the carrying on of the public works authorized by the Legislature; Provided that the principal amount of any securities issued and the amount of any temporary loans raised under the authority of this Act, including any securities issued for the retirement of the said securities or temporary loans, at any time outstanding, shall not exceed in the whole Twenty Million Dollars (\$20,000,000).
- 2. That the aforesaid sum of money may be borrowed for any term or terms not exceeding forty years, at such rate as may be fixed by the Lieutenant-Governor in Council and shall be raised upon the credit of the Consolidated Revenue Fund of Ontario, and shall be chargeable thereupon.
- 3. That the Lieutenant-Governor in Council may provide for a special sinking fund with respect to the issue herein authorized, and such sinking fund may be at a greater rate than the one-half of one per centum per annum specified in subsection 2 of section 3 of The Provincial Loans Act.

The Resolution having been read the second time was agreed to and referred to the House on Bill (No. 123), An Act for Raising Money on the Credit of the Consolidated Revenue Fund.

The House resolved itself into a Committee to consider Bill (No. 113), The Territorial Division Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 117), An Act to amend The Municipal Drainage Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 118), An Act to amend The Highway Traffic Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 119), An Act to amend The Commercial Vehicle Act, 1936, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 120), An Act to amend The Milk Control Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 121), An Act respecting The Abitibi Power and Paper Company, Limited, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Carr reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 123), An Act for Raising Money on the Credit of The Consolidated Revenue Fund, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-morrow.

The House resolved itself into a Committee to consider Bill (No. 122), The Statute Law Amendment Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Kirby reported, That the Committee had directed him to report some progress, and directed him to ask for leave to sit again.

Resolved, That the Committee have leave to sit again to-morrow.

Mr. Nesbitt asked the following Question (No. 61):—

1. What was the cost of the new boiler house and heating plant at the Ontario Hospital at Brockville. 1. Who were the contractors, what was the

amount and nature of each contract and what, if anything, was paid to each contractor for extras, and of what did these extras consist.

The Honourable the Minister of Public Works and Highways replied as follows:—

#### 1. \$145,009.13.

2.—

|  | Amount of<br>Contract   | Extras      | Total                   |
|--|-------------------------|-------------|-------------------------|
| Doran Construction—General Trades<br>Francis Hankin Co., Ltd.—Brick chimney                  | \$29,450.65<br>2,348.00 | \$73.41 (A) | \$29,524.06<br>2,348.00 |
| E. Leonard & Son—Boilers and Stokers   | 44,560.00               | 115.90 (B)  | 44,675.90               |
| Sheppard & Abbott—Plumbing<br>Stephens-Adamson Mfg. Co.—Coal handling equip-                 | 3,113.00                | 27.05 (c)   | 3,140.05                |
| ment   | 7,822.00                | 26.19 (D)   | 7,848.19                |
| Brockville Public Utilities—Construction of power line                                       |                         | ~           | 889.29                  |
| Clerk of Works—Salary  |                         |             | 1,457.22                |
| Value of material supplied by Department   |                         |             | 6,515.81                |
| Cost of excavations prior to awarding of contracts   |                         |             | 9,698.42                |
| Doran Construction Labour and matel of mate  |                         |             | \$106,096.94            |
| Doran Construction—Labour and rental of equipment for construction of concrete pipe tunnels. | 14,077.50               |             | 14,077.50               |
| Sundry Accounts—Materials for concrete pipe trench   |                         |             | 4,145.76                |
| Sheppard & Abbott—Piping for heating trench and  |                         |             | 4,143.70                |
| pumping equipment  | 20,641.00               | 47.93       | 20,688.93               |
|  |                         |             | \$145,009.13            |

<sup>(</sup>A)—Patching around steam pipes and sundry small adjustments.

## Mr. Murphy asked the following Question (No. 99):-

1. What was the average annual salary paid on January 31, 1937: (a) to men employed in the Civil Service of Ontario and (b) to women employed in the Civil Service of Ontario.

The Honourable the Prime Minister replied as follows:-

No computation has been made of average salaries as between male and female employees. Figures available for the entire Service are as follows: 1923, \$1,462.97; 1930, \$1,605.21; 1936, \$1,466.19.

# Mr. Duckworth asked the following Question (No. 131):-

1. Are there any former residents of the Province of Alberta now employed by the Ontario Government. 2. If so (a) what are their names; (b) what are their titles; (c) in what Departments are they employed; (d) what are their salaries; (e) how long in each case did they reside in Ontario before entering Provincial employ.

<sup>(</sup>B)—Additional smoke conductor. (c)—Carrying water main to laundry.

<sup>(</sup>D)—Changes to railing.

The Honourable the Prime Minister replied as follows:-

1. and 2. Records are not available as to where employees may formerly have resided.

Mr. Lancaster asked the following Question (No. 132):

1. Has the Civil Service Commission with respect to all appointments to the Public Service since July 1st, 1934, issued his certificate as required by the Ontario Public Service Act, R.S.O. 1927, Cap. 16, Sections 21, 22, 23 and 24.

The Honourable the Prime Minister replied as follows:-

1. No.

Mr. Duckworth asked the following Question (No. 133):-

1. Since the present government took office, how many persons have been appointed to positions in the Ontario Civil Service (a) under the age of 20; (b) between the ages of 20 and 30; (c) between the ages of 30 and 40; (d) between the ages of 40 and 50; (e) between the ages of 50 and 60; (f) between the ages of 60 and 70; (g) over the age of 70. 2. How many members of the Civil Service whether drawing superannuation or otherwise are over the age of 70.

The Honourable the Prime Minister replied as follows:-

1. Information not available as proof of age is not required until needed by Superannuation Board on permanent appointment.

2. 15.

On motion of Mr. Black, seconded by Mr. Nesbitt, That there be laid before this House a Return showing: 1. What travelling expenses have been drawn by each member of the Cabinet since March 1, 1936, to date. 2. How many trips to Great Britain have been made by each member of the Cabinet since July 11, 1934, at Government expense. 3. Since July 11, 1934, how many trips at Government expense outside of Canada have been made by each member of the Civil Service indicating (a) name of Civil Servant; (b) destination; (c) purpose of trip and (d) total cost of such trips with respect to each Civil Servant involved.

Mr. Strachan, from the Standing Committee on Legal Bills, presented their Final Report which was read as follows and adopted:—

Your Standing Committee on Legal Bills has carefully considered the provisions of Bill No. 71, an Act to amend The Mining Act, and recommend that the Bill be not further proceeded with.

Mr. Miller presented the Report of the Standing Committee on Fish and Game, which was read as follows and adopted:—

Your Committee begs leave to present to the House the Minutes of their meetings held during the current Session and recommend that they be printed as an Appendix to the Journals of the House.

### Mr. Challies asked the following Question (No. 51):-

1. What amount was expended in drilling a well for domestic water supply at the Industrial Farm, Burwash. 2. What additional amount was spent for pumping equipment and electrical equipment including labour charges for installation of equipment for operating drilled well at the Industrial Farm, Burwash. 3. What was the total cost of installing a pipe line from the Industrial Farm at Burwash to the Wahnapitae River to provide a suitable water supply for the Industrial Farm. 4. What was the cost of the following items in connection with the water supply at the Industrial Farm, Burwash: (a) Pump House at or near Wahnapitae River; (b) Pumps and electric motors and all additional equipment including labour but not including pipe line. 5. By whom were the various items of pipe and other equipment furnished and what was cost of the various items. 6. When was work started on installation of pipe line; on construction of pump house. 7. Was the work of installation in charge of Public Works Department and if so has it been entirely completed and turned over to the Department of the Provincial Secretary and on what date. 8. Was any of the work of securing water supply from the river done by contract and if so give particulars.

The Honourable the Provincial Secretary replied as follows:—

- 1. \$2,786.00—prior to July, 1934.
- 2. \$3,192.73—prior to July, 1934.
- 3. \$42,210.81—subsequent to July, 1934.
- 4. (a) \$8,819.65.
  - (b) \$8,597.42.
- 6. Sept. 2, 1935, Sept. 17, 1935.
- 7. Yes. Completed and turned over to Department of Provincial Secretary on Feb. 11, 1936.

| 8. Complete scheme carried out under contract as follows:—                               |  |
|--|--|
| M. J. Sulpher—Construction of Pump House and Intake                                      | 8,375,00<br>6,714.83<br>13,979.44<br>158.42<br>64.00<br>3,811.41<br>1,302.61<br>238.60 |
| Sundry Items—Inspections, etc  | \$42,210.81  |
|  | φ <del>1</del> 2,210.01  |
| 1. R. E. Graham, Drilling and Testing Wells  2. Railway Power Engineering Corp., Screens | 47<br>51<br>00<br>79   |
| 3. Total Cost.   |  |
|  | -\$8,819.65  |
| (b) Francis Hankin Co.—Mechanical equipment\$8,375.0<br>Albany Pump Co.—Pump             | 14   |
|  |  |

# Mr. Macaulay asked the following Question (No. 64):-

1. What was the total amount collected in gasoline tax for the 12 months ending March 31, 1936. 2. What was the total amount collected in gasoline tax for the 10 months ending January 31, 1937. 3. What was the total amount of rebates made during the same periods for gasoline used by (a) Tractors and Farm Machinery; (b) Motor Boats; (c) Other interests, specifying the nature of such interests.

The Honourable the Minister of Public Works and Highways replied as follows:—

1. \$16,001,166.76. 2. \$15,302,621.79.

## 3. As follows:—

| 3. As follows:—    |               |                |
|--------------------|---------------|----------------|
|                    | 12 months     | 10 months      |
|                    | ending        | ending         |
|                    | Mar. 31, 1936 | Jan. 31, 1937  |
| Federal Government | \$ 7,582.73   | \$ 4,837.42    |
| American           | 17,651.77     | 22,679.67      |
| Cities and Towns   | 13,881.25     | 28,502.28      |
| Railroads          | 0 1 1 1 2 0 0 | 30,598.61      |
| Lumbering          |               | 29,139.37      |
| Contractors        | HO 4 HO HO    | 53,777.86      |
| Aeroplanes         | 00 004 04     | 28,434.30      |
| Stationary Engines |               | 149,047.77     |
| Motor Boats        |               | 95,806.80      |
| Manufacturers      |               | 261,662.18     |
| Cleaners           | 15,731.93     | 34,709.26      |
| Municipal Trucks   |               | 43,910.31      |
| Farmers            |               | 411,421.09     |
| Totals             | \$979,173.06  | \$1,194,526.92 |

Note:—The increase in rebates is largely due to the fact that certain petroleum products, although within the meaning of the term "Gasoline," as defined in The Gasoline Tax Act, were exempt from the tax. It was found that in some instances, these products were being mixed with and sold as gasoline, thus evading the tax. Consequently, the Tax has been collected during the past year on these products and refund claims have been correspondingly higher although the net return to the Government is greater.

## Mr. Welsh asked the following Question (No. 90):-

1. What has been the gross total expenditure on all types of Highways by the Department of Northern Development since March 1, 1936, until the Department was abolished and since the abolition of the Department of Northern Development, by the Department of Highways in the territory formerly served by the Northern Development Department for (a) Construction; (b) Maintenance. 2. What has been the gross total expenditure by the Department of Highways on Provincial Highways, excluding expenditures in the territory formerly served by the Northern Development Department for (a) Construction; and (b) Maintenance, since March 1, 1936. 3. What grants were made by the Department of Highways to (a) County Highways and (b) Township Highways since March 1, 1936.

The Honourable the Minister of Public Works and Highways replied as follows:

The Department of Northern Development is not abolished. The accounts of this Department will be merged with the Department of Highways April 1, 1937.

1. (a) \$8,700,116.46; (b) \$1,343,905.34. 2. (a) \$7,176,903.08; (b) \$1,621,774.25. 3. (a) \$1,676,157.56; (b) \$1,451,927.62.

### Mr. Challies asked the following Question (No. 100):-

1. Was Dr. Joseph Darling Heaslip sent to England or elsewhere to make a study of Prison conditions and particularly the workings of the Borstal system.

2. If such a trip was made, what was the cost to the Government by way of (a) salary and (b) travelling expenses. 3. Was a report made to the Government.

4. If such a trip was made, who recommended it to the Government. 5. What is the present position of Dr. Joseph Darling Heaslip. 6. What is his present salary. 7. What positions has he held in the last five years, at what points, and if in the government service, at what salaries and for what periods. 8. Is he on duty at the present time.

### The Honourable the Provincial Secretary replied as follows:-

1. After Dr. Heaslip had arranged to join the Vimy Pilgrimage he suggested that while in England he make a study of the English Prison System. It was arranged that he would spend approximately three weeks making such a study. 2. He was absent from Ontario seven days longer than the leave of absence granted Civil Servants who joined the Vimy Pilgrimage. (a) Seven days salary, \$77.78; (b) Travelling expenses, \$206.17. 3. Yes, verbal report. Written report delayed because of pressure of his duties at the Ontario Reformatory, Guelph. 4. The Provincial Secretary. 5. Superintendent and Surgeon, Ontario Reformatory, Guelph. 6. \$5,000.00 per annum, less perquisites. 7. Prior to September 1, 1932, post graduate work in Surgery, London, England; Edinburgh, Scotland; Berlin, Germany, and New York, U.S.A. September 1, 1932, to April 27, 1933, special private practice. April 27, 1933, Industrial Farm, Burwash, Physician, \$2,700.00 per annum, less perquisites. September 15, 1934, Ontario Reformatory; Mimico, Medical Officer, \$2,700.00 per annum, less perquisites. May 1, 1935-Ontario Reformatory, Mimico, Senior Physician and Surgeon, \$3,300.00 per annum, less perquisites. April 1, 1936—Main Office, Director of Medical Services, Reformatories and Prisons and Hospitals Branches, \$4,000.00. September 15, 1936-Ontario Reformatory, Guelph, Superintendent and Surgeon, \$5,000.00 per annum, less perquisites. 8. Yes.

# Mr. Challies asked the following Question (No. 101):-

1. Who are the members of the Ontario Board of Parole. 2. What was the date of the appointment of each. 3. Who is the chairman of the Board. 4. What remuneration is paid to the members of the Board. 5. Who is the Chief Parole Officer. 6. Who recommended him to the Government. 7. What previous experience had he in parole and prison work. 8. What is his salary. 9. What amount was paid each member of the Board in the 1936 fiscal year by way of salary or honoraria and travelling expenses. 10. How many inmates were granted parole from Ontario penal institutions in the 1936 fiscal year. 11. During the 1936 fiscal year, how many paroled inmates were returned to custody for breach of parole. 12. How many parole violators were brought to trial for breach of parole during the fiscal year 1936 and how many convictions were obtained.

The Honourable the Provincial Secretary replied as follows:-

1. Judge J. F. McKinley, appointed February 4, 1927; Mr. L. J. Long, appointed November 23, 1932; Mr. A. F. Hatch, appointed October 17, 1933; Mrs. D. Strachan, appointed November 5, 1935; Mr. R. S. Clark, appointed January 22, 1936; Mr. W. B. Common, K.C., appointed June 22, 1936. 2. Answered by 1. 3. Judge J. F. McKinley, Ottawa. 4. \$15.00 per diem. 5. C. F. Swayze. 6. Honourable H. C. Nixon, Provincial Secretary. 7. Social Service of various kinds. 8. \$3,000.00 per annum. 9. Mr. R. S. Clark, allowance \$90, travelling expenses \$70; Mr. A. F. Hatch, allowance \$240, travelling expenses \$134.15; Mr. W. Inglis, allowance \$225, travelling expenses \$43.10; Mr. L. J. Long, allowance \$390, travelling expenses \$421; Judge J. F. McKinley, allowance \$555, travelling expenses \$938.20; Mrs. D. Strachan, allowance \$30, travelling expenses Nil; Mr. J. B. Tudhope, allowance \$180, travelling expenses \$163.00. 10. 798. 11. Reconvicted 60, returned to prison and parole cancelled 7, total 67. 12. 36 charged, 31 convicted.

## Mr. Challies asked the following Question (No. 102):-

1. What are the qualifications required as to guards at The Ontario Reformatory, Guelph, and at the Industrial Farm, Burwash. 2. Since July 11, 1934, how many guards at Guelph and at Burwash, respectively, have been (a) dismissed; (b) instructed or requested to resign; (c) resigned voluntarily; (d) been superannuated by reason of age or ill health. 3. How many guards have been appointed at Guelph and at Burwash, respectively, since July 11, 1934, giving in each case, name of appointee, age at date of appointment and by whom recommended to the government, also stating commencing salaries. 4. How many guards, sergeants and assistant sergeants are now employed (a) at the Ontario Reformatory, Guelph, and (b) at the Industrial Farm, Burwash. 5. How many guards, sergeants and assistant sergeants were employed at Guelph and at Burwash when this government took office.

The Honourable the Provincial Secretary replied as follows:-

1. Good previous record, good judgment, reasonable physical and educational requirements. 2. (a) Guelph 10, Burwash 10; (b) Guelph 1, Burwash 5; (c) Guelph 1, Burwash 51; (c) Guelph 1, Burwash 1.

3. Ontario Reformatory, Guelph

| Ontario Reformatory, Guerpii |     |            |                  |  |
|------------------------------|-----|------------|------------------|--|
| Name                         | Age | Salary     | Recommended by   |  |
| Sydney Walker                | 43  | \$1,125.00 | Hon. H. C. Nixon |  |
| Robert Robson                | 38  | 1,125.00   | 66               |  |
| Gilbert Judd                 | 26  | 1,300.00   | 44               |  |
| George Pettit                | 28  | 1,300.00   | 44               |  |
| Charles Gagen                | 53  | 1,125.00   | 4                |  |
| Horace F. Baugh              | 43  | 1,125.00   | "                |  |
| O. H. Brown                  | 27  | 1,125.00   | "                |  |
| Leo Byrne                    | 24  | 1,125.00   | u                |  |
| Spence M. Craig              | 35  | 1,125.00   | 44               |  |

## Ontario Reformatory, Guelph

| Name               | Age | Salary   | Recommended by   |
|--------------------|-----|----------|------------------|
| Aubrey Hayes       | 36  | 1,125.00 | Hon. H. C. Nixon |
| Lloyd Johnston     | 31  | 1,125.00 | 66               |
| Darrell Jubinville | 31  | 1,125.00 | 66               |
| Wm. McCart         | 36  | 1,125.00 | ш                |
| Anthony Noonan     | 34  | 1,125.00 | **               |
| John Wilson        | 28  | 1,125.00 | 66               |
| Fred McClelland    | 37  | 1,125.00 | vi               |

## Industrial Farm, Burwash

| Name             | Age  | Salary     | Recommended by   |
|------------------|------|------------|------------------|
| George Arcand    | 32   | \$1,125.00 | Hon. H. C. Nixon |
| Frank Barker     | 25   | 1,125.00   | 66               |
| Fred Brown       | 36   | 1,125.00   | 66               |
| Wm. Button       | 34   | 1,125.00   | 66               |
| Wm. Catton       | 27   | 1,125.00   | 6,               |
| F. Charlebois    | 25   | 1,125.00   | 66               |
| Roy Forsuthe     | 40   | 1,125.00   | 44               |
| Floyd Haight     | 29   | 1,125.00   | 66               |
| John S. Jodouin  | 35   | 1,125.00   | u                |
| Gordon Keating   | 35   | 1,125.00   | U                |
| Edgar H. Kidd    | 27   | 1,125.00   | 66               |
| Joseph Lamothe   | 35   | 1,125.00   | u                |
| Martin W. Lang   | 39   | 1,125.00   | 66               |
| Thomas Lanktree  | 39   | 1,125.00   | 66               |
| Stewart Lawless  | 31   | 1,125.00   | ч                |
| Alpha Levac      | 28   | 1,125.00   | **               |
| Hugh Mackey      | 38   | 1,125.00   | 6.               |
| Ubald Mageau     | 34   | 1,125.00   | ec.              |
| Joseph Mahoney   | 36   | 1,125.00   | «                |
| Joseph Mitchell  | 27   | 1,125.00   | 66               |
| Hugh D. Mitten   | 44   | 1,125.00   | 66               |
| Wilfred Nichols  | 29   | 1,125.00   | C                |
| Olida St. Louis  | 34   | 1,125.00   | **               |
| Jack K. Smith    | 28   | 1,125.00   | **               |
| Morris Tessier   | 29   | 1,125.00   | **               |
| Cyrus R. Weaver  | 27   | 1,125.00   | b+               |
| George Fenning   | 35   | 1,125.00   | <b></b>          |
| Wm. Robertson    | 52   | 1,125.00   | 66               |
| H. I. McDonald   | 33   | 1,125.00   | 66               |
| T. L. Ptolemy    | 26   | 1,125.00   | <b>6</b> 6       |
| Nelson Gauthier  | 30   | 1,125.00   | 66               |
| Francis V. Budd  | 23   | 1,125.00   | 66               |
| Roy E. Henley    | 0.0  | 1,125.00   | u                |
| J. H. Crawford   |      | 1,125.00   | u                |
| Floyd Cockburn   | 0.0  | 1,125.00   | u                |
| Warren C. Rose   | a Fr | 1,125.00   | 44               |
| George Jorgenson | 7    | 1,125.00   | «                |
| Fred C. Stephens |      | 1,125.00   | «                |
| Herbert Appleton |      | 1,125.00   | 66               |
| Herbert Appleton |      |            |                  |

#### Industrial Farm, Burwash

| Industriai          | raim, i | Dui wasii |                  |
|---------------------|---------|-----------|------------------|
| Name                | Age     | Salary    | Recommended by   |
| Keith M. Hoehn      | 23      | 1,125.00  | Hon. H. C. Nixon |
| James Fordham       | 34      | 1,125.00  | "                |
| Charles Lapierre    | 24      | 1,125.00  | "                |
| Austin R. Murphy    | 23      | 1,125.00  | ч                |
| Joseph Primeau      | 37      | 1,125.00  | "                |
| George J. Gauthier  | 25      | 1,125.00  | ч                |
| Cecil Robinson      | 26      | 1,125.00  | ш                |
| Colin Cameron       | 43      | 1,125.00  | "                |
| Wm. O'Connor        | 41      | 1,125.00  | 44               |
| Walter H. Schlegel  | 39      | 1,125.00  | 44               |
| Adam A. Watson      | 33      | 1,125.00  | 66               |
| Roy Ferneyhough     | 43      | 1,125.00  | "                |
| Charles Dawson      | 25      | 1,125.00  | 46               |
| Wm. D. Oliver       | 28      | 1,125.00  | "                |
| M. K. Augustine     | 32      | 1,125.00  | 44               |
| Geo. E. Lamothe     | 49      | 1,125.00  | 66               |
| Magloire Moreau     | 40      | 1,125.00  | 44               |
| Hugh Sutherland     | 32      | 1,125.00  | 66               |
| Wm. Hutton          | 34      | 1,125.00  | 44               |
| Harold Morris       | 35      | 1,125 00  | 44               |
| Denis Collins       | 37      | 1,125 00  | 66               |
| Verton Houston      | 28      | 1,125 00  | ш                |
| Gilbert McCarley    | 30      | 1,125 00  | 44               |
| John Patterson      | 38      | 1,125 00  | 66               |
| Milton Woodley      | 21      | 1,125.00  | ш                |
| James Campbell      | 30      | 1,125.00  | 66               |
| Lloyd Coulter       | 32      | 1,125 00  | 66               |
| Neil Carson         | 21      | 1,125 00  | 46               |
| George E. Elliott   | 35      | 1,125 00  | "                |
| Peter J. MacLean    | 43      | 1,125 00  | u                |
| Joseph Nelder       | 42      | 1,125 00  | 66               |
| Forrest Mackie      | 32      | 1,125 00  | 44               |
| Patrick Jamieson    | 31      | 1,125 00  | 44               |
| Robert D. Eddington | 29      | 1,125 00  | . "              |
| Leo Boyer           | 24      | 1,125 00  | 4                |
| James O'Neill       | 42      | 1,125 00  | "                |

<sup>4. (</sup>a) Guards 80, Sergeants 1, Assistant Sergeants 2; (b) Guards 86, Sergeants 1, Assistant Sergeants 3. 5. Ontario Reformatory, Guelph—Guards 70, Sergeants 1, Assistant Sergeants 2; Industrial Farm, Burwash—Guards 71, Sergeants 1, Assistant Sergeants 3.

# Mr. Challies asked the following Question (No. 103):-

<sup>1.</sup> Who is the physician at the Ontario Reformatory, Guelph. 2. What is his salary and what are his perquisites, if any. 3. On whose recommendation was he appointed and if he was nominated by the Hon. the Provincial Secretary,

who recommended him to the Hon. the Provincial Secretary. 4. Who was his predecessor. 5. How long was his predecessor connected with the service. 6. What was the salary of his predecessor on retirement. 7. Did his predecessor resign voluntarily, was he dismissed or was he instructed or requested to resign and if so by whom. 8. Was his predecessor granted a superannuation allowance, and if so in what amount. 9. What is the age of the present physician and what was the age of his predecessor at retirement.

The Honourable the Provincial Secretary replied as follows:-

1. Dr. Norman C. Wallace, at present on sick leave, duties being performed by Dr. G. E. Wilson on loan from Hospitals Department. 2. Dr. Norman C. Wallace's salary, \$3,000.00 per annum, no perquisites. 3. Appointed temporarily January, 1921; permanently July 1, 1921, by the Honourable the Provincial Secretary. 4. Ontario Reformatory, Guelph, reopened January, 1921, previously a Military Hospital. 5. Answered by 4. 6. Answered by 4. 7. Answered by 4. 8. Answered by 4. 9. Age of Dr. Norman C. Wallace, 66 years. Balance of question answered by 4.

# Mr. Challies asked the following Question (No. 104):-

1. Is it a condition of Parole with respect to inmates of Reformatories and Industrial Farms that employment must be found before Parole is granted and release of the inmate effected. 2. If so, what assistance is rendered by the Government in securing employment. 3. How many inmates in the Reformatories, Industrial Farms and Gaols are serving sentences imposed for violation of Parole and under what section or sections of the Criminal Code of Canada were the necessary informations laid. 4. How many inmates in the Reformatories, Industrial Farms and Gaols of the Province are finishing their original terms without additional sentence imposed for breach of Parole.

The Honourable the Provincial Secretary replied as follows:—

1. Yes. 2. Through personal contact by parole officials with prospective employers. 3. Two. Section 185. 4. Thirty-seven.

# Mr. Challies asked the following Question (No. 105):-

1. Exclusive of the cases where corporal punishment has been ordered by the courts, how many inmates of the Ontario Reformatory have been punished by the use of the strap since January 1, 1935, and indicating (a) the number of inmates strapped in each month; (b) the number of strokes of the strap applied in each month; (c) the name of the Superintendent or Acting Superintendent in each month. 2. Are inmates always warned before this extreme measure of punishment is invoked. 3. Is a report made to the Department in the case of all strappings.

The Honourable the Provincial Secretary replied as follows:-

| 1.         | (a)      | (b)          | (c)                                    |
|------------|----------|--------------|--|
|            | No. of   | No. of       | Name of                                |
| Month      | Inmates  | Strokes      | Superintendent or                      |
|            | Strapped | of Strap     | Acting Superintendent                  |
| 1935       |          |              | - •                                    |
| January    | Nil      | Nil          | Supt. Hunter                           |
| February   |          | Nil          | ũ u                                    |
| March      |          | 36           | "                                      |
| April      | 3        | 11           | 44 44                                  |
| May        |          | Nil          | 44 44                                  |
| June       |          | 54           | u                                      |
| July       | Nil      | Nil          | u                                      |
| August     |          | Nil          | u u                                    |
| September  |          | 5            | 46                                     |
| October    |          | 30           | 44 44                                  |
| November   | 7        | 55           | <b>66 66</b>                           |
| December   | 2        | 10           | Supt. Oliver                           |
| 1936       |          |              | *                                      |
| January    | 1        | 6            | "                                      |
| February   | 3        | 25           | 44 44                                  |
| March      | 1        | 7            | Acting Supt. Maguire                   |
| April      |          | Nil          | " " " "                                |
| May        |          | 10           | ιι |
| June       |          | Nil          | 46 46 46                               |
| July       |          | Nil          | <i>ιι ιι</i>                           |
| August     | Nil      | Nil          | 46 46 46                               |
| September  | Nil      | Nil          |  |
| October    | Nil      | Nil          | Supt. Heaslip (Sept. 15th)             |
| November   | 7        | 46           | u u                                    |
| December   | 3        | 22           | " "                                    |
|            |          | <i>Li Li</i> | 00 85                                  |
| 1937       |          |              |  |
| January    | 10       | 61           | 44 44                                  |
| February   | 31       | 179          | u                                      |
| March 1–15 | 6        | 35           | u u                                    |
|            |          |              |  |
| O X7 O X1  |          |              |  |

2. Yes. 3. Yes.

Mr. Murphy asked the following Question (No. 117):—

1. Is the Superintendent who was in charge of the Guelph Reformatory at the time of riots of January 17, 1937, still in office or has he been relieved of duty pending the receipt of the report of the Royal Commission now investigating the affairs of the Reformatory.

The Honourable the Provincial Secretary replied as follows:

1. Dr. J. D. Heaslip has been Superintendent of the Ontario Reformatory, Guelph, since September 15, 1936.

## Mr. Nesbitt asked the following Question (No. 118):-

1. From May 1, 1935, to April 30, 1936, what dealers supplied coal to (a) the Andrew Mercer Reformatory for Women; (b) the Ontario Brick and Tile Plant at Mimico; (c) the Ontario Reformatory at Guelph. 2. What amount of coal was supplied by each dealer at each institution. 3. What were (a) the kinds of coal supplied in each instance; (b) the price per ton paid in each instance and (c) the total amount paid to each dealer with respect to each institution mentioned. 4. Were tenders taken in each case and if so was the lowest tender accepted.

The Honourable the Provincial Secretary replied as follows:

- 1. (a) F. P. Weaver Coal Co., Ltd., Milnes Coal Co., Ltd., Doan Coal Co., Ltd.; (b) Conger Lehigh Coal Co., Ltd., James Dunn, P. Burns & Co., Ltd., Elias Rogers Co., Ltd.; (c) Imperial Fuels, Milnes Coal Co., Ltd., P. Burns & Co., Ltd.
- 2. Mercer Reformatory—F. P. Weaver Coal Co., 980 tons, 1,560 lbs.; Milnes Coal Co., Ltd., 128 tons, 430 lbs.; Doan Coal Co., Ltd., 47 tons, 528 lbs. Ontario Brick & Tile Plant—Conger Lehigh Coal Co., 2,202 tons, 606 lbs.; James Dunn, 42 tons, 1,000 lbs.; P. Burns & Co., Ltd., 5 tons; Elias Rogers Co., Ltd., 86 tons. Ontario Reformatory, Guelph—Imperial Fuels, 4,594 tons, 1,300 lbs.; Milnes Coal Co., Ltd., 483 tons, 580 lbs.; P. Burns & Co., Ltd., 209 tons.
- 3. (a) Mercer Reformatory—U.S. Smokeless Mine Run, U.S. Mine Run, U.S. Mine Run, Nova Scotia Mine Run, U.S. Anthracite, Stove. Ontario Brick & Tile Plant—U.S. Mine Run, U.S. Anthracite, Nut, U.S. Anthracite, Stove, U.S. Coke, Stove. Ontario Reformatory, Guelph—U.S. Mine Run, U.S. Slack, U.S. Mine Run, U.S. Anthracite, Stove. (b) Mercer Reformatory—\$5.75, \$5.48, \$5.49, \$5.65, \$10.49. Ontario Brick & Tile Plant—\$5.41, \$9.18, \$11.47, \$8.25, \$8.35. Ontario Reformatory, Guelph—\$5.89, \$5.50, \$6.05, \$10.51. (c) Mercer Reformatory—F. P. Weaver Coal Co., \$5,427.72, Milnes Coal Co., Ltd., \$720.04; Doan Coal Co., Ltd., \$495.80. Ontario Brick & Tile Plant—Conger Lehigh Coal Co., \$11,914.46, James Dunn, \$390.15, P. Burns & Co., Ltd., \$57.35, Elias Rogers Co., Ltd., \$715.30. Ontario Reformatory, Guelph—Imperial Fuels, \$26,666.92, Milnes Coal Co., Ltd., \$2,897.92, P. Burns & Co., Ltd., \$2,196.59.
  - 4. Yes—except in one case where coal was not according to specifications.

# Mr. Duckworth asked the following Question (No. 129):-

1. How many public officials and employees who are appointed by the Provincial government but whose salaries are paid by the City of Toronto have received salary increases since July 11, 1934, stating (a) name of official; (b) title of official; (c) date and amount of increase granted in each case; (d) present salary.

# The Honourable the Prime Minister replied as follows:—

#### 1. Toronto Gaol:

- (a) Mr. C. T. Huggett.
- (b) Assistant Bookkeeper.
- (c) July 1, 1936, \$460.00, when promoted to position of Bookkeeper.
- (d) Present salary, \$1,400.00 per annum.

### Industrial Farm, Langstaff:

| (a)   | (b)   | (c)  |  | (d)  |
|---|---|--|--|--|
| Name  | Title   | Date and A   | mount  | Present Salary   |
| J. W. Johnson K. F. Armstrong I. McComb R. Bennett G. Hull J. P. Henry J. Glover H. Suter W. P. Middleton A. McDonald E. Kidd | Guard | Jan. 1, 1937<br>Jan. 1, 1937 | \$200.00<br>200.00<br>200.00<br>200.00<br>200.00<br>200.00<br>200.00<br>200.00<br>100.00<br>100.00 | \$1,300.00<br>1,300.00<br>1,300.00<br>1,300.00<br>1,300.00<br>1,300.00<br>1,300.00<br>1,300.00<br>1,200.00<br>1,200.00<br>1,200.00 |

# Mr. Challies asked the following Question (No. 149):

1. How many seasonal overseers were employed by the Department of Game and Fisheries during the calendar year 1936, giving name, address, salary and expenses of each seasonal overseer engaged.

The Honourable the Provincial Secretary replied as follows:

| Name Address    | Salary  | Expenses   |
|-----------------|---|--|
| Alexander, D. C | \$106.45<br>30.00<br>75.00<br>30.00<br>30.00<br>45.00<br>30.00<br>42.00<br>30.00<br>30.00<br>6.00 | \$101.77<br>Nil<br>52.56<br>Nil<br>Nil<br>Nil<br>Nil<br>Nil<br>Nil<br>Nil<br>Nil |

| Name                  | Address              | Salary          | Expenses   |
|-----------------------|----------------------|-----------------|------------|
| Cronk, George E       | Parham               | \$21.00         | Nil        |
| Casey, Donald         | Tweed                | 30.00           | Nil        |
| Cartledge, Wm         | Perth                | 30.00           | Nil        |
| Dixon, William        | Bewdley              | 30.00           | Nil        |
| Flaherty, Fred I      | Peterboro            | 30.00           | Nil        |
| Gallagher, S. E.      | Dorland              | 30.00           | Nil        |
| Helmer, Herbert C     | Winchester           | 21.77           | Nil        |
| Hubbard, W. D         | Elk Lake             | 30.00           | Nil        |
| Hannah, Benson        | Parham               | 21.00           | Nil        |
| Huggins, Thompson, Ir | S. Monaghan (R.R. 1) | 30.00           | Nil        |
| Hall Melville         | Hall's Bridge        | 51.00           | Nil        |
| Hill. Francis B       | Lakefield            | 30.00           | Nil        |
| Javnes, John          | Y arker              | 30.00           | Nil        |
| Irwin, Wm. I          | Peterboro            | 30.00           | Nil        |
| Lamoureux, Eli        | Midland              | 60.00           | Nil<br>Nil |
| Lockridge, Kenneth    | Newburgh (R.R. 1)    | 30.00           | Nil        |
| Laidley, Harold W     | Omemee               | 30.00           | Nil        |
| Laidlaw, Magnus       | Coboconk             | 45.00<br>265.00 | 112.00     |
| Martyn, Wm. J         | Bowmanville          | 55.00           | 25.95      |
| Morton, Wm. A         | Richard's Landing    | 30.00           | Nil        |
| McCallum, Stanley     | Sunbury              | 30.00           | Nil        |
| McGregor, Duncan      | Harlowe              | 30.00           | Nil        |
| McKinnon, Elmer J     | Fallbrooke           | 30.00           | Nil        |
| McCutcheon, Charles H | Havelock (R.R. 2)    | 45.00           | Nil        |
| Nichols, Mathew       | Bobcaygeon           | 105.00          | 51.62      |
| O'Connor, W. J        | Lombardy (R.R. 1)    | 30.00           | Nil        |
| O'Toole, Edward R     | Peterboro            | 187.50          | 86.69      |
| Porter, Peter         | Burford              | 75.00           | 26.25      |
| Pimperton, Warran L   | Denfield             | 30.00           | Nil        |
| Perry, Ebenezer       | Ardoch               | 75.00           | 28.00      |
| Pandke, O. G.         | Killarney            | 70.00           | Nil        |
| Paradis, Frank        | Parry Sound          | 448.87          | 222.67     |
| Quesnel, Palma        | Treadwell            | 75.00           | 26.95      |
| Raymond, Hugh E       | Apple Hill           | 90.00           | Nil        |
| Seigner, E. J         | New Liskeard         | 30.00           | Nil        |
| Simmons, George       | Toronto              | 75.00           | Nil        |
| Sitwell, N. E. H      | Bewdley              | 30.00           | Nil        |
| Stalter, Parcy H      | Bewdley              | 30.00           | Nil        |
| Sidey, Woodsworth     | Burleigh Falls       | 30.00           | Nil        |
| Thiladay Ias F        | Bobcaygeon           |                 | Nil        |
| Wasmund Theodore      | Hybla                | 1 12.0 -        | 32.42      |
| Wood Howard           | Sutton West          | 25.00           | Nil        |
| Watson Wm             | Port Sydney          | 2001            | 44.22      |
| W-11-00 Pruco         | Lindsay              |                 | Nil        |
| Watern Robt S         | vew market           |                 | Nil        |
| V' - 1- Llonery       | reneion rans         |                 | Nil<br>Nil |
| V-1 Ichman I          | Parry Sound          |                 | Nil        |
| Warlick Adolph        | Denbigh              | 30.00           | _\11       |
| varion, ridorpin      |                      |                 |            |

The House, according to Order, again resolved itself into the Committee of Supply.

## (In the Committee.)

Resolved, That there be granted to His Majesty, for the services for the year ending March 31st, 1938, the following sums:—

| 95.     | . To defray the expenses of the Main Office, Department of                         | f             |
|---------|--|---------------|
|         | Highways   | \$ 334,800.00 |
|         | To defray the expenses of the Municipal Roads Branch                               |               |
|         | To defray the expenses of the Gasoline Tax Branch                                  |               |
| 98.     | To defray the expenses of the Permits, Gasoline Pumps, Signs                       |               |
|         | and Garages Branch   | 15,000.00     |
| 99.     | To defray the expenses of the Equipment Branch                                     | 91,000.00     |
| 100.    | To defray the expenses of the Motor Vehicles Branch                                | 150,000.00    |
| 168.    | To defray the expenses of the Main Office, Department of                           |               |
|         | Public Works   | 86,925.00     |
| 169.    | To defray the expenses of the General Superintendence, De-                         |               |
| 4 100 0 | partment of Public Works   | 28,200.00     |
| 170.    | To defray the expenses of the Government House, Depart-                            |               |
| 4 17 4  | ment of Public Works   | 24,250.00     |
| 171.    | To defray the expenses of the Legislative and Departmental                         |               |
| 1/70    | Buildings, Department of Public Works  | 337,800.00    |
| 1/2.    | To defray the expenses of the Osgoode Hall, Department of                          |               |
| 172     | Public Works   | 48,600.00     |
| 1/3.    | To defray the expenses of the Educational Buildings, Depart-                       |               |
| 171     | ment of Public Works   | 51,524.00     |
| 1/4.    | To defray the expenses of the Agricultural Buildings, Department of Bullin Western |               |
| 175     | ment of Public Works  To defray the expenses of the Welfare Buildings, Department  | 19,650.00     |
| 110.    | of Public Works  | 6 FF0 00      |
| 176.    | To defray the expenses of the District Buildings, Department                       | 6,550.00      |
| 2101    | of Public Works  | 20 220 00     |
| 177.    | To defray the expenses of the Ontario Hospitals, Department                        | 29,220.00     |
|         | of Public Works  | 68,000.00     |
| 178.    | To defray the expenses of the Legislative and Departmental                         | 00,000.00     |
|         | Buildings, Osgoode Hall, Department of Public Works                                | 11,000.00     |
| 179.    | To detray the expenses of the Educational Buildings Brant-                         | 11,000.00     |
|         | ford School for the Blind, Department of Public Works                              | 20,000.00     |
| 180.    | To defray the expenses of the Welfare Buildings, Ontario                           | 20,000.00     |
|         | Training School for Boys, Bowmanville: Ontario Training                            |               |
|         | School for Girls, Galt   | 55,000.00     |
| 181.    | To detray the expenses of the Ontario Hospitals Department                         |               |
|         | of Public Works  | 2,650,000.00  |
| 182.    | To derray the expenses of the District Buildings                                   | 13,000.00     |
| 183.    | To defray the expenses of the Miscellaneous Department of                          |               |
|         | Public Works   | 500.00        |
| 130.    | To defray the expenses of the Main Office, Department of                           |               |
|         | Mines  | 302,400.00    |
| 131.    | To defray the expenses of the Gas and Oil Well Inspectors                          | 302,200.00    |
|         | Branch   | 9,100.00      |
|         |  | 7,100.00      |

| 132.  | To defray the expenses of the Sulphur Fumes Arbitrator<br>To defray the expenses of the Temiskaming Testing Labora- | \$5,000.00      |
|-------|---|-----------------|
| 155.  | tories  | 2(),()()(),()() |
| 121   | To defray the expenses of the Offices of Mining Recorders   | 50,000.00       |
| 134.  | To defray the expenses of the Draughtsman, North Bay,   |                 |
| 135.  | Department of Mines   | 9,175.00        |
| 100   | To defray the expenses of the Main Office, Department of  | ,               |
| 102.  | Labour  | 37,406.50       |
| 102   | To defray the expenses of the Apprenticeship Branch   | 29,490.00       |
| 103.  | To defray the expenses of the Boiler Inspection Branch  | 15,050.00       |
| 104.  | To defray the expenses of the Factory Inspection Branch   | 9,770.00        |
| 105.  | To defray the expenses of the Board of Examiners of Operating   |                 |
| 100.  | Engineers   | 21,425.00       |
| 107   | To defray the expenses of the Employment Offices  | 213,550.00      |
| 107.  | To defray the expenses of the Minimum Wage Board  | 36,240.00       |
| 100.  | To defray the expenses of the Composite Inspection Division,  |                 |
|       | Department of Labour  | 114,525.00      |
| 136   | To defray the expenses of the Main Office, Department of  |                 |
|       | Municipal Affairs   | 469,800.00      |
| 137   | To defray the expenses of the Ontario Municipal Board   | 32,300.00       |
| 161   | To defray the expenses of the Main Office, Department of  |                 |
|       | Welfare—Grants—Retuges, Orphanages, etc   | 275,000.00      |
| 162   | To defray the expenses of the Children's Aid Branch   | 149,800.00      |
| 163   | To defray the expenses of the Untario Training School for   |                 |
|       | D Powmonyillo   | 136,500.00      |
| 164   | To defray the expenses of the Ontario Training School for   | <               |
|       | C' 1- Calt  | 69,500.00       |
| 165   | To defray the expenses of the Mothers' Allowances Com-  | = 1.11 000 00   |
|       |   | 5,141,800.00    |
| 166   | The state of the Old Age Pensions Commission.   | 3,219,100.00    |
| 167   | To defrave the expenses of the Old Age Pensions Commission.   | 9,517,500.00    |
| 110   | To defray the expenses of the Main Unice, Lanus Dianen,   | 175,500.00      |
|       | Deportment of Lands and Horests   | 175,300.00      |
| 111   | To defray the expenses of the Agents, Department of Lands   | 32,600.00       |
|       | 1 E4=   |                 |
| 112   | To defrave the expenses of the Rondeau Provincial Park  |                 |
| 4 4 0 | T 1-f the empenses of the New Falks   |                 |
| 114   | T- Johnson the expenses of the Wall Umce, Folests Dianell,  |                 |
|       | Department of Lands and Forests   | 101,700.00      |
|       |   |                 |

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to several Resolutions; also, That the Committee had directed him to ask for leave to sit again.

Ordered, That the Report be received to-morrow.

Resolved, That the Committee have leave to sit again to-day.

The Order of the Day for resuming the Adjourned Debate on the Motion for the Second Reading of Bill (No. 96), An Act to Repeal Chapter 4 of the Statutes of Ontario, 1936, having been read,

The Debate continued and after some time Mr. Hepburn moved, seconded by Mr. Nixon (Brant), "That this question be now put."

The Honourable Member for York South rising to speak to the Motion was informed by Mr. Speaker that a motion for the previous question is not debatable. The Member for York South persisting in an attempt to address the House and refusing to resume his seat when instructed by Mr. Speaker to do so was escorted from the House by the Sergeant-at-Arms.

The Honourable Member for York East appealed against Mr. Speaker's ruling and on the appeal being put to a vote Mr. Speaker was sustained on the following Division:—

#### YEAS

Allen Armstrong Asmussen Averv Baker Ballantyne Bethune Blakelock Bowerman Bragg Brownridge Campbell Carr Clark Colter Crawford Croll Croome Des Rosiers Dewan Duncan Faulkner

Fulford Gardhouse Gordon Guthrie Habel Heenan Hepburn Houck Hunter Kellv King Kirby Lapierre Leduc Marceau Marshall Miller Murray MacBride Macfie McQuesten

Freeborn

McVicar Newman Nixon (Brant)

(Temiskaming)

Patterson Roberts Robertson Roebuck Rowlandson Sangster Schwenger Simpson Sinclair (Bruce)

Oliver

Smith Strachan Tanner Trottier Wigle—63.

#### Nays

Acres
Baird
Black
Challies
Craig

Duckworth
Elgie
Ellis
Heighington
Henry

Kidd Lancaster Murphy Nesbitt Welsh—15.

The Motion for the Second Reading of Bill (No. 96) was then put and was carried on the following recorded vote:—

#### YEAS

Acres Allen Anderson Armstrong Asmussen Avery Baird Baker Ballantyne Bethune Black Blakelock Bowerman Bragg Brownridge Campbell Carr Challies Clark Colter Craig Crawford Croll Croome Des Rosiers Dewan Dickson Duckworth

Duncan Elgie Ellis Faulkner Freeborn Fulford Gardhouse Gordon Guthrie Habel Heenan Heighington Henry Hepburn Houck Hunter Kelly Kidd King Kirby Lancaster Lapierre Leduc Marceau Marshall Miller Murphy

Murray
MacBride
Macfie
McQuesten
McVicar
Nesbitt
Newman
Nixon
(Brant)

Nixon (Temiskaming)

Oliver Patterson Roberts Robertson Roebuck Rowlandson Sangster Schwenger Simpson Sinclair

Smith Strachan Tanner Trottier Welsh Wigle—80.

#### Nays-0

And the Bill was accordingly read the Second time and was referred to the Committee of the Whole House to-morrow.

# Mr. Ellis asked the following Question (No. 36):-

1. What Bonds have been sold by the Province since the present Government took office, together with the amount of each issue, when payable, the rate of interest and the net yield. 2. Were public tenders called for in any case, and if so, what tenders were received. 3. What Bonds have been sold by the Hydro-Electric Power Commission of Ontario since the present Government took office, together with the amount of each issue, when payable, the rate of interest and the net yield. 4. Were public tenders called for in any case, and if so, what tenders were received.

The Honourable the Prime Minister and Provincial Treasurer replied as follows:

| 1.                       |                  |  |                  |   |                |
|--------------------------|------------------|--|------------------|---|----------------|
| Amount                   | Series           | When Payable   | Interest<br>Rate | Where Payable   | Net Yield      |
| \$37,500,000             | "B.D."           | 30th Aug. 1935-39 (Serial)                               | 2½%              | Toronto, Montreal,<br>Ottawa, Winnipeg,<br>Vancouver, Halifax,<br>or St. John.      | 3.02           |
| 11,841,500<br>8,158,500  | "B.E."           | 15th June, 1937<br>15th June, 1940                       | $\frac{23}{4}\%$ | Toronto, Montreal,<br>Ottawa, Winnipeg,   | 2.85<br>3.03   |
| 20,000,000               |                  | ,  | , ,              | Vancouver, Halifax,<br>St. John, or at any<br>Province of Ontario<br>Savings Office |                |
| 10,000,000               | "B.F."           | 15th Feb., 1938  | 2%               | Toronto or Montreal   | 2.488          |
| 15,000,000<br>20,000,000 | "B.G."<br>"R.A." | 1st May, 1939<br>1st Dec., 1951                          | 2%<br>3%         | Toronto or Montreal<br>Toronto or Montreal  | 2.654<br>3.125 |
| 5,000,000<br>10,029,000  | "R.B."           | 15th Jan. 1943-47 (Serial)<br>15th Jan. 1948-62 (Serial) |                  | Toronto or Montreal   | 2.693<br>3.115 |
|                          |                  |  |                  |   |                |

#### 2. No.

- 3. (a) \$10,000,000 Bond Issue dated 1st January, 1935, and payable 1st January, 1943; interest at rate of  $3\frac{1}{2}$  per centum per annum  $(3\frac{1}{2}\%)$ ; payable half-yearly on first days of January and July of each year. Sold at 103.127, to yield 3.05%.
- (b) \$15,000,000 Bond Issue dated 2nd March, 1936, and payable 1st March, 1941; interest at rate of  $2\frac{1}{2}$  per centum per annum  $(2\frac{1}{2}\%)$ ; payable half-yearly on first days of March and September of each year. Sold at 99.561, to yield 2.60%.
- (c) \$10,000,000 Bond Issue dated 15th June, 1936, and payable 15th June, 1944; Interest at rate of  $2\frac{1}{2}$  per centum per annum  $(2\frac{1}{2}\%)$ ; payable half-yearly on 15th of June and of December in each year. Sold at 98.91, to yield 2.65%.
  - 4. Yes, in every case.
- (a) A Syndicate composed of:—Messrs. A. E. Ames & Company, Limited; Wood, Gundy & Company, Limited; Dominion Securities Corporation, Ltd.; The Canadian Bank of Commerce; The Royal Bank of Canada.

A Syndicate composed of:—Messrs. The Bank of Montreal; Royal Securities Corporation, Limited; McLeod, Young, Weir & Company, Limited; Bell, Gouinlock & Company, Limited; Fry, Mills, Spence & Company, Limited; The Bank of Nova Scotia; The Dominion Bank; Hanson Bros., Inc.; McTaggart, Hannaford, Birks & Gordon, Limited; Harrison & Company, Limited; Midland Securities Corporation, Limited; F. W. Kerr & Company.

(b) A Syndicate composed of:—Messrs. Wood, Gundy & Company, Limited; A. E. Ames & Company, Limited; Dominion Securities Corporation, Limited; The Royal Bank of Canada; Canadian Bank of Commerce.

A Syndicate composed of:—Messrs. The Bank of Montreal; McLeod, Young, Weir & Company, Limited; Bell, Gouinlock & Company, Limited; Mills, Spence & Company, Limited; The Bank of Nova Scotia; The Dominion Bank; The Bank of Toronto; The Imperial Bank of Canada; McTaggart, Hannaford, Birks &

Gordon, Limited; Midland Securities Corporation, Limited; Harrison & Company, Limited; Fry & Company.

(c) A Syndicate composed of:—Messrs. The Bank of Montreal; McLeod, Young, Weir & Company, Limited; Mills, Spence & Company, Limited; Bell, Gouinlock & Company, Limited; The Bank of Nova Scotia; The Dominion Bank; The Bank of Toronto; The Imperial Bank of Canada; McTaggart, Hannaford, Birks & Gordon, Limited; Midland Securities Corporation, Limited; Harrison & Company, Limited; Fry & Company; Cochran, Murray & Company, Limited.

A Syndicate composed of:—Messrs. Wood, Gundy & Company, Limited; Dominion Securities Corporation, Limited; A. E. Ames & Company, Limited; The Royal Bank of Canada; Canadian Bank of Commerce.

## Mr. Murphy asked the following Question (No. 80):-

1. What work was being done by the Department of Highways in the Riding of East Hastings during the months of August, September, October, November and December, 1936. 2. Was the work being done by day labour or by contract.

3. If by contract, to whom were the contracts awarded, were competitive tenders received and what was the amount of each tender, indicating the successful tenderer in each case. 4. If the work was done by day labour, what was the maximum and minimum number of labourers and workmen employed in each of the months mentioned in (1). 5. What work is being done in the Constituency of East Hastings at the present time, indicating (a) the nature of the contracts and the names of the contractors if the work is being done by contract and (b) if the work is being done by day labour, indicating the number of workmen being employed at date.

The Honourable the Minister of Public Works and Highways replied as follows:—

- 1. Filling approaches to Tweed Bridge; grading and structures, Belleville East; placing pipe, placing crushed stone, north and south of Tweed; filling approaches to street intersection at Bridgewater; work on Belleville-Bancroft Highway; work on Maynooth-Combermere Road; work on Craig Mine Road; general maintenance work.
  - 2. By both day labour and contract.
  - 3. Competitive tenders received.

| Contract 36-62                   |             |
|----------------------------------|-------------|
| W. Dillane & Sons                | \$18,857.00 |
| Correll & Sharp                  | 19,070.00   |
| T W C                            | 20,20000    |
| T T N/ N/-11                     | 23,292.30   |
| T) A D1 /1                       | 201720      |
| Ontario Construction Co., Ltd.   | 24,224.25   |
| Holdcroft Construction Co., Ltd. | 27,180.00   |
| Patterson Construction Co        | 32.395.00   |
| Patterson Construction Co        | -,          |

#### Contract 36-66

| C. L. Storey           | 9,240.00  |
|------------------------|-----------|
| Springer & Beatty      |           |
| Clyde Construction Co. |           |
| McQuigge Bros.         | 12,600.00 |
| D. A. McLeod           |           |

#### Contract 36-91

| Campbell Construction Co.  | \$ 84,675.50 |
|----------------------------|--------------|
| Holdcroft Construction Co. | 90,545.00    |
| M. L. McLean               | 90,804.00    |
| Hadley-McHaffie Co.        | 91,580.00    |
| Frontenac Construction Co. | 91,783.00    |
| Standard Paving Co.        | 98,299.00    |
| C. V. Billie               | 100,387.00   |
| Angus & Taylor             | 103,914.00   |
| John McGuire               | 109,220.50   |
| Rayner Construction Co.    | 107,503.00   |
| E. H. Scott.               | 115,857.00   |
| Dufferin Paving Co.        | 146,029.20   |
|                            |              |

36-62 awarded to W. Dillane & Sons.

36-66 awarded to C. L. Storey.

36-91 awarded to Campbell Construction Co.

4. Contract and Day Labour.

|           | Maximum | Minimum |
|-----------|---------|---------|
| August    | 385     | 357     |
| September | 387     | 357     |
| October   | 377     | 351     |
| November  | 813     | 440     |
| December  | 922     | 471     |

5. (a) Completion of Campbell Construction Contract; (b) Sanding, clearing ditches, regular winter maintenance work—23 men.

## Mr. Nesbitt asked the following Question (No. 108):-

1. What purchases of Boiler Compound have been made for each of the Ontario Hospitals since July 11, 1934, station (a) name of vendor; (b) quantity supplied by each vendor to each Ontario Hospital; (c) price per pound in each instance; (d) total amount paid each vendor with respect to sales to each hospital. 2. Who makes the purchase of this commodity.

| 1. (a), | (b), | (c) | and | (d)— |
|---------|------|-----|-----|------|
|---------|------|-----|-----|------|

| 1. (a), (b), (c) an                     |   |                               |
|---|---|-------------------------------|
| Hospital                                | Vendor, Quantity and Price  | Fotal amount paid each Vendor |
| Penetanguishene                         | Bird Archer Co., Ltd.—<br>200 lbs.—10c lb   |                               |
| Penetanguishene                         | Clensol Products, Ltd.—<br>40 gal., \$2.00 gal  | 80.00                         |
|   |   | \$100.00                      |
| London                                  | Canadian Aluminate Co.— 3,080 lbs, .08c lb  |                               |
|   |   | \$367.40                      |
| Toronto                                 | Clensol Products, Ltd.—<br>175 Purifiers, 53c ea<br>1 gal, \$2.00 gal                     | 92.75                         |
|   |   | \$94.75                       |
| Toronto                                 | Combustion Feed Water—<br>50 Purifiers, 50c ea  | 25.00                         |
|   |   | \$119.75                      |
| Whitby                                  | Clensol Products, Ltd.—  1 gal., \$2.00 gal  150 Purifiers, 53c ea  200 Purifiers, 50c ea | 79.50                         |
|   | Combustion Feed Water— 75 Purifiers, 50c ea   | 37.50                         |
| Woodstock                               | G. Wilson & Co., Courtland, Ont.  | \$219.00                      |
| ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 50 gal. Feed Water:<br>Treatment, 400 lb. 10c   |                               |
|   | Dearborn Chemical Co.—<br>1,049 lbs, 10c lb   | 104.90                        |
|   | ,   | \$144.90                      |
| Kingston                                | Dearborn Chemical Co.—<br>1,956 lbs., 10c lb  |                               |

2. Director of Purchasing.

Mr. Nesbitt asked the following Question (No. 109):-

1. How many pairs of shoes were produced at the factory at the Ontario Hospital at Orillia in each of the Fiscal Years ending October 31, 1932, October 31, 1933, October 31, 1934, March 31, 1935, and March 31, 1936. 2. What were

the total gross sales of shoes from the factory at the Ontario Hospital at Orillia in each of the Fiscal Years mentioned in (1). 3. Is the factory still in operation and if not, why was the industry discontinued.

The Honourable the Minister of Health replied as follows:-

|   | (1).  | (2).   | (3). |
|---|---|--|------|
| Fiscal Year Ending October 31, 1932 October 31, 1933 October 31, 1934 March 31, 1935 March 31, 1936 | Production305—8/12 Doz. Pairs224—3/12 Doz. Pairs307—9/12 Doz. Pairs66—5/12 Doz. Pairs18—8/12 Doz. Pairs | Sales<br>\$14,802.00<br>7,896.20<br>9,725.00<br>1,247.50<br>685.00 | Yes. |

### Mr. Nesbitt asked the following Question (No. 110):-

1. Who received the contract for the supplying of attendants' uniforms at each of the Ontario Hospitals during the Fiscal Year ending March 31, 1936, stating (a) name of contractor or contractors; (b) price per uniform; (c) number of uniforms supplied to each Ontario Hospital by each contractor. 2. Was the cloth supplied by the Department or by the Contractor.

The Honourable the Minister of Health replied as follows:-

### Hospital

## M. B. Tailoring Co.

| London                  | 49 T | niforms- | -Cloth | \$15.50; | Making | \$13.80 | \$1,435.70 |
|-------------------------|------|----------|--------|----------|--------|---------|------------|
| New Toronto             | 35   | "        | "      | 15.50    | 66     | 13.80   | 1,025.30   |
| Penetang                | 4    | 44       | 66     | 15.50    | 46     | 13.80   | 117.20     |
| Toronto                 |      | 66       |        | 15.50    | 66     | 13.80   | 1,201.30   |
| Woodstock               | 28   | "        | "      | 15.50    | 66     | 13.80   | 820.40     |
| Cloth supplied by firm. |      |          |        |          |        |         |            |

## Tweddell's Co. Ltd., Kingston

Kingston—70 uniforms \$16.00 each, \$1,120.00, cloth supplied by department 6 uniforms, \$16.50 each, \$99.00.

## Firth Bros., Ltd., Hamilton

Hamilton—31 uniforms, \$12.75 each, \$395.25, cloth supplied by department.

## Rex Tailoring Co., Toronto

Toronto—2 uniforms, \$17.50 each, \$35.00, cloth supplied by department. Toronto—14 uniforms \$16.50 each, \$231.00, cloth supplied by department.

#### Greene & Moale

London—6 uniforms, \$14.75 each, \$88.50 cloth supplied by department. London—25 uniforms, \$12.00 each, \$300.00, cloth supplied by department.

#### H. P. Conklin Co., Brockville

Brockville—25 uniforms, \$17.50 each, \$437.50, cloth suplpied by department.

### Coghill Tailoring Co., Stratford

Brockville—27 uniforms, \$17.50 each, \$472.50, cloth supplied by department. Toronto—21 uniforms, \$17.50 each, \$367.50, cloth supplied by department. Woodstock—11 uniforms, \$17.50 each, \$192.50, cloth supplied by department. Woodstock—6 uniforms, \$17.00 each, \$102.00, cloth supplied by department.

### Mr. Kidd asked the following Question (No. 121):-

1. In connection with returned soldiers who have been again placed in the Ontario Public Service since the Hunter Report was tabled in the Legislature at the 1935 Session: (a) How many veterans have been placed in their former positions; (b) How many veterans have been placed in other positions (c) How many have been placed at the salary at which they were retired: (d) How many have been placed at an increased salary; (e) How many have been placed at a decreased salary; (f) How many of these returned soldiers whose cases were considered by the Hunter enquiry remain on the eligible list for reinstatement.

2. Aside from the returned soldiers mentioned in (1) as having been dealt with in the Hunter report, how many other returned soldiers have been appointed by this government since July 11, 1934.

## The Honourable the Prime Minister replied as follows:

1. (a) and (b) 137 full-time and 26 seasonal Ex-Service men who were on the staff at July 11, 1934, were re-employed between July 11, 1934, and February 1, 1937. A complete record is not at present available as to whether seasonal employees and day labourers were placed in former position or elsewhere, nor of present rate of pay in these cases. (c), (d) and (e), See answer above. (f) Thirty-eight names were stricken from the Hunter Report as improperly included, and the remainder formed the eligible list. 2. (1) 177.

# Mr. Heighington asked the following Question (No. 141):-

1. What was the total amount spent by the Highways Department on Provincial Highways in Lambton County in the year 1936. 2. What was the total cost of construction and paving Provincial Highway No. 40 in the County of Lambton in the year 1936 and known as the River Road. 3 What was the cost of moving ditches and widening shoulders on Provincial Highway No. 7 in the County of Lambton in the year 1936.

The Honourable the Minister of Public Works and Highways replied as follows:

1. \$387,698.52. 2. \$170 157.07; 3. No widening of shoulders. Location of a Municipal Drain was changed costing \$11,404.07.

Faulkner

Freeborn

Fulford

niskaming)

Tanner

Trottier

Wigle-59.

## Mr. Macaulay asked the following Question (No. 150):-

1. What is the estimated cost of the new highway connecting Niagara Falls and Hamilton and what is the estimated date for completion of this project.

The Honourable the Minister of Public Works and Highways replied as follows:

1. \$4.500,000.00. 2. Uncertain.

The Order of the Day That the Speaker do now leave the Chair and the House go into Committee of Supply, having been read, Mr. Henry moved, seconded by Mr. Kidd, That this legislature deplores that over \$85,000,000 were spent for intoxicating liquors with a resultant profit of \$10,000,000 as disclosed in the Budget during the past year, and this Legislature further deplores that the acknowledged policy of the government has been and is to engage in the liquor business for profit, and that it is imperative to immediately set up a Special Committee of this Legislature to enquire into the circumstances surrounding the issuing of all authorities and powers to sell liquors, to formulate more stringent regulations in order to really control the sale of liquor, and especially to protect the youth of the Province against the ghastly and devastating effects of the present liquor policy,

And a debate having arisen after some time the Motion being put was lost on the following division.

#### YEAS

| Acres             | Duckworth | Lancaster |
|-------------------|-----------|-----------|
| Baird             | Elgie     | Murphy    |
| Black<br>Challies | Henry     | Nesbitt   |
| Craig             | Kidd      | Welsh—13. |
|                   |           |           |

| Craig   | Kidd  | Welsh—13.   |
|---|---|---|
|   | Nays  |   |
| Allen Anderson Armstrong Asmussen Avery Ballantyne Bethune Bowerman     | Gardhouse Gordon Guthrie Habel Heenan Hepburn Houck Hunter              | Newman Nixon (Brant) Nixon (Temiskan Oliver Patterson Robertson               |
| Bragg Brownridge Campbell Carr Clark Colter Croome Dewan Dickson Duncan | Kelly King Kirby Lapierre Leduc Marceau Marshall Miller Murray MacBride | Roebuck Rowlandson Sangster Schwenger Simpson Sinclair (Bruce) Smith Strachan |

Macfie

McOuesten

McVicar

Before going into Supply Mr. Hepburn moved, seconded by Mr Nixon (Brant) that the Honourable the Member for York South be again admitted to the House and the incident in which he had been concerned be considered as closed.

The Motion, on being submitted to the House, was carried by a unanimous vote.

The House, according to Order, again resolved itself into the Committee of Supply. (In the Committee.)

Resolved, That there be granted to His Majesty, for the services for the year ending March 31st, 1938, the following sums:-

| endii | lg Watch dist, 1700, the following summer  |                          |
|-------|--|--------------------------|
|       | To defray the expenses of the Forest Ranging, Department of Lands and Forests  | 1,573,000.00             |
|       | To defray the expenses of the Air Service, Department of   | 280,000.00               |
|       | To defray the expenses of the Radio Service, Department of   | 55,000.00                |
|       | To defray the expenses of the Timber Trade Extension and   | 10,000.00                |
|       | To defray the expenses of the Woodmen's Employment Act,  | 10,000.00                |
|       | To defray the expenses of the Clearing Townsites and Removal   | 10,000.00                |
|       | To defray the expenses of the Forest Research, Department of   | 3,000.00                 |
|       | To defray the expenses of the Insect Control and Tree Diseases, Diseases, Department of Lands and Forests                                    | 9,700.00                 |
|       | To defray the expenses of the Lands Branch, Department of Lands and Forests.   | 82,500.00                |
|       | To defray the expenses of the Forestry Act, Forests Branch, Department of lands and Forests  | 7,500.00                 |
| 125.  | To defray the expenses of the Reforestation, Department of Lands and Forests   | 225,000.00               |
|       | And the House having continued to sit until twelve of the cl   | ockmidnight,             |
|       | Thursday, Marc   | h 25, 1937.              |
| 145   | . To defray the expenses of the Main Office, Department of   | 60,040.00                |
| 146   | Provincial Secretary  To defray the expenses of the Registrar-General's Branch  To defray the expenses of the Main Office, Reformatories and | 53,365.00                |
|       | Prisons Branch, Department of Provincial Secretary   | 86,805.00<br>20,100.00   |
|       | m 1 C (1 oncoc of the Uniatio Neighborst Cache   | 779,000.00<br>115,500.00 |
| 4 = 0 | To defray the expenses of the Ontario Reformatory, Mimico  To defray the expenses of the Mercer Reformatory, Toronto                         |                          |

151. To defray the expenses of the Mercer Reformatory, Toronto....

| -         |   |   |
|-----------|---|---|
| 152.      | To defray the expenses of the Industrial Farm, Burwash  | \$ 365,000.00                           |
|           | To defray the expenses of the Ontario Reformatory, Guelph   |   |
| 154.      | To defray the expenses of the Industrial Farm, Burwash  | 50,000.00                               |
|           | To defray the expenses of the Main Office, Department of  |   |
|           | Provincial Treasurer  | 92,475.00                               |
|           | To defray the expenses of the Amusement Revenue Branch.   | 30,000.00                               |
|           | To defray the expenses of the Board of Censors  | 16,100.00                               |
|           | To defray the expenses of the Controller of Revenue Branch  |   |
|           | To defray the expenses of the Post Office   | 137,225.00                              |
| 160.      | To defray the expenses of the Main Office, Department of  |   |
|           | Provincial Treasurer.   | 800,000.00                              |
| 60.       | To defray the expenses of the Main Office, Department of  | 75 005 00                               |
| 61        | Game and Fisheries.   | 75,825.00                               |
| 01.       | To defray the expenses of the Districts, Department of Game   | 210,000.00                              |
| 62        | and Fisheries   | 210,000.00                              |
| 04.       | Game and Fisheries  | 10,000.00                               |
| 63        | To defray the expenses of the Experimental Fur Farms, De-   | 10,000.00                               |
| 001       | partment of Game and Fisheries  | 9,500.00                                |
| 64.       | To defray the expenses of the Macdarmid, Department of  | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |
|           | Game and Fisheries  | 4,000.00                                |
| 65.       | To defray the expenses of the Biological and Fish Culture   |   |
|           | Branch, Department of Game and Fisheries  | 168,050.00                              |
| 66.       | To defray the expenses of the Grants, Department of Game  |   |
|           | and Fisheries.  | 3,900.00                                |
| 67.       | To defray the expenses of the Wolf Bounty, Department of  |   |
| <b>CO</b> | Game and Fisheries  | 40,000.00                               |
| 08.       | To defray the expenses of the Main Office, General—Department of Course and Fill.   | 40,000,00                               |
| 144       | ment of Game and Fisheries.   | 40,000.00                               |
| 120       | To defray the expenses of the Office of Provincial Auditor<br>To defray the expenses of the Office of Lieutenant-Governor | 113,500.00                              |
| 69.       | To defray the expenses of the Main Office, Department of  | 15,650.00                               |
| 0,.       | Health  | 149,170.00                              |
| 70.       | To defray the expenses of the Maternal and Child Hygiene  | 117,170.00                              |
|           | and Public Health Nursing Branch  | 38,775.00                               |
| 71.       | To defray the expenses of the Dental Service Branch   | 11,950.00                               |
| 72.       | To defray the expenses of the Inspection of Training Schools  | ,                                       |
|           | for Nurses Branch   | 16,650.00                               |
| 73.       | To defray the expenses of the Preventable Diseases Branch   | 275,950.00                              |
| 74.       | To defray the expenses of the Tuberculosis Prevention Branch  | 65,820.00                               |
| 75.       | To defray the expenses of the Industrial Hygiene Branch   | 53,050.00                               |
| 76.       | To defray the expenses of the Sanitary Engineering Branch.  | 48,830.69                               |
| 70        | To defray the expenses of the Laboratory Branch.  | 92,975.00                               |
| 70        | To defray the expenses of the Laboratory Divisions Branch   | 54,375.00                               |
| 19.       | To defray the expenses of the General Office—Grants, etc.—  |   |
|           | General Hospitals and Charities—General expenses—Ontario  | 2 266 275 00                            |
| 80        | Hospitals   | 2,366,375.00                            |
| 81.       | To defray the expenses of the Ontario Hospital, Brockville  To defray the expenses of the Ontario Hospital, Cobourg       | 382,877.00                              |
| 82        | To defray the expenses of the Ontario Hospital, Fort William  | 168,970.00                              |
|           |   | 90,410.00                               |
| 8.1       | To defray the expenses of the Ontario Hospital, Hamilton  | 505,645.00                              |
| 04.       | To defray the expenses of the Ontario Hospital, Kingston  | 456,530.00                              |

288,400.00

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had come to several Resolutions.

Grants and Workmen's Compensation Board.....

Ordered, That the Report be received to-day.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:-

Report of the Department of Education of Ontario, 1936. (Sessional Papers No. 11.)

Also, Report of the Minister of Agriculture for the period April 1st, 1935, to March 31st, 1936. (Sessional Papers No. 21).

Also, Report of the Statistics Branch, Department of Agriculture for the period April 1st, 1935, to March 31st, 1936. (Sessional Papers No. 22.)

Also, Report of the Ontario Veterinary College for the period April 1st, 1935, to March 31st, 1936. (Sessional Papers No. 29.)

Also, Report of the Superintendent of Insurance for year ending December 31st, 1936. (Sessional Papers No. 6.)

Also, Report of the Registrar of Loan Corporations for the Province of Ontario. (Sessional Papers No. 7.)

Also, Report of Department of Northern Development on operations under The Development Act for the fiscal year ending March 31st, 1936. (Sessional Papers No. 54.)

Also, Report of the Department of Highways for fiscal year ended March 31st, 1936. (Sessional Papers No. 32.)

Also, Report of the Hydro-Electric Power Commission of Ontario for year ending October 31st, 1936. (Sessional Papers No. 26.)

Also, Report of the Ontario Municipal Board for year ending December 31st, 1936. (Sessional Papers No. 24.)

Also, Report of the Secretary and Registrar of the Province of Ontario with respect to the Administration of The Companies Act, The Extra Provincial Corporations Act, The Mortmain and Charitable Uses Act and The Companies Information Act for year ending March 31st, 1936. (Sessional Papers No. 33.)

Also, Report of the Workmen's Compensation Board, Ontario, 1936. (Sessional Papers No. 28.)

Also, Report of the Inspector of Legal Offices for year ending December 31st, 1936. (Sessional Papers No. 5.)

Also, Report of the Department of Public Welfare for fiscal period April 1st to March 31st, 1936. (Sessional Papers No. 19.)

Also, Return to an Order of the House dated March 22nd, 1937, That there be laid before this House a Return showing: 1. What Treasury Board Orders have been issued since the 1st day of April, 1935. 2. What Special Warrants have been issued since the 1st day of April, 1935, and what sums have been expended under each of these Special Warrants. (Sessional Papers No. 55.)

The House then adjourned at 2.30 a.m.

## THURSDAY, MARCH 25th, 1937.

PRAYERS.

11.00 O'CLOCK A.M.

Mr. Nixon (Temiskaming) from the Standing Committee on Agriculture and Colonization presented their Second and final Report which was read as follows and adopted:—

The Committee on Agriculture and Colonization met on four occasions.

At its first meeting on March 2nd, Mr. Nixon (Temiskaming) was elected chairman on the motion of Mr. Acres and Mr. Bragg. It was decided to reappoint

the subcommittee chairmen of the 1936 Session as follows: fruit and vegetables, Mr. Bragg; dairying, Mr. Dewan; live stock and crops, Mr. Gardhouse, and colonization, Mr. Freeborn.

Following a decision made at this first meeting, the committee visited the Ontario Agricultural College at Guelph on March 10th.

The committee held its second meeting on March 12th when it was addressed by Mr. John Houck, chairman of the Milk Control Board, Mr. J. A. McFeeters of the same Board and Mr. H. J. Maybee of the Dominion Department of Agriculture.

At its third meeting on March 18th, the committee on the motion of Mr. Gardhouse unanimously reported Bill No. 77, an Act respecting the adoption of a Floral Emblem for the Province of Ontario. The meeting was addressed by Mr. George H. Mitchell, Manager of the Georgian Bay Fruit Growers Association.

On March 22nd the committee held its final meeting of the Session. It was addressed by Mr. E. J. Zavitz, Provincial Forester; Mr. L. E. O'Neill, director of the Live Stock Branch of the Department of Agriculture and Mr. S. L. Joss, secretary-treasurer of the Ontario Cheese Patrons' Association.

Mr. Clark, from Committee of Supply, reported the following Resolutions:-

- 1. Resolved, That a sum not exceeding Three hundred and six thousand, three hundred and forty-six dollars and twenty-five cents be granted to His Majesty to defray the expenses of Main Office, Department of Agriculture for the year ending 31st March, 1938.
- 2. Resolved, That a sum not exceeding Eleven thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Statistics and Publications Branch for the year ending 31st March, 1938.
- 3. Resolved, That a sum not exceeding One hundred and twenty thousand. eight hundred dollars be granted to His Majesty to defray the expenses of Agricultural and Horticultural Societies Branch for the year ending 31st March, 1938.
- 4. Resolved, That a sum not exceeding Seventy-six thousand, one hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Live Stock Branch for the year ending 31st March, 1938.
- 5. Resolved, That a sum not exceeding Seventy-one thousand, three hundred and fifty dollars be granted to His Majesty to defray the expenses of Institutes Branch for the year ending 31st March, 1938.
- 6. Resolved, That a sum not exceeding One hundred and twenty-nine thousand, six hundred dollars be granted to His Majesty to defray the expenses of Dairy Branch for the year ending 31st March, 1938.
  - 7. Resolved, That a sum not exceeding Fifty-six thousand, five hundred

and eighty dollars be granted to His Majesty to defray the expenses of Milk Control Board of Ontario for the year ending 31st March, 1938.

- 8. Resolved, That a sum not exceeding Eighty-eight thousand, one hundred and twenty-four dollars be granted to His Majesty to defray the expenses of Fruit Branch for the year ending 31st March, 1938.
- 9. Resolved, That a sum not exceeding Three hundred and eight thousand, one hundred dollars be granted to His Majesty to defray the expenses of Agricultural Representatives Branch for the year ending 31st March, 1938.
- 10. Resolved, That a sum not exceeding Thirty-five thousand, six hundred and fifty dollars be granted to His Majesty to defray the expenses of Crops, Seeds and Weeds Branch for the year ending 31st March, 1938.
- 11. Resolved, That a sum not exceeding Twenty-one thousand, one hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Commissioner of Marketing for the year ending 31st March, 1938.
- 12. Resolved, That a sum not exceeding Eighty-eight thousand, one hundred and one dollars and fifty cents be granted to His Majesty to defray the expenses of Kemptville Agricultural School for the year ending 31st March, 1938.
- 13. Resolved, That a sum not exceeding Fifty-three thousand, nine hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Ontario Veterinary College for the year ending 31st March, 1938.
- 14. Resolved, That a sum not exceeding Twenty-seven thousand, three hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Western Ontario Experimental Farm, Ridgetown for the year ending 31st March, 1938.
- 15. Resolved, That a sum not exceeding Twelve thousand dollars be granted to His Majesty to defray the expenses of Demonstration Farm, New Liskeard for the year ending 31st March, 1938.
- 16. Resolved, That a sum not exceeding Five thousand dollars be granted to His Majesty to defray the expenses of Demonstration Farm, Hearst for the year ending 31st March, 1938.
- 17. Resolved, That a sum not exceeding Seven hundred and forty thousand, two hundred and seventy-two dollars be granted to His Majesty to defray the expenses of Ontario Agricultural College, Guelph for the year ending 31st March, 1938.
- 18. Resolved, That a sum not exceeding Thirty-three thousand dollars be granted to His Majesty to defray the expenses of Fruit Branch, Horticultural Experiment Station, Vineland for the year ending 31st March, 1938.
- 19. Resolved, That a sum not exceeding Two thousand, five hundred dollars be granted to His Majesty to defray the expenses of Commissioner of Marketing for the year ending 31st March, 1938.

- 20. Resolved, That a sum not exceeding Twenty-three thousand dollars be granted to His Majesty to defray the expenses of Ontario Agricultural College for the year ending 31st March, 1938.
- 21. Resolved, That a sum not exceeding One hundred and thirty-one thousand and fifteen dollars be granted to His Majesty to defray the expenses of Main Office, Attorney-General's Department for the year ending 31st March, 1938.
- 22. Resolved, That a sum not exceeding Eighty-eight thousand and fifty dollars be granted to His Majesty to defray the expenses of Supreme Court of Ontario for the year ending 31st March, 1938.
- 23. Resolved, That a sum not exceeding Thirty-thousand, six hundred dollars be granted to His Majesty to defray the expenses of Shorthand Reporters for the year ending 31st March, 1938.
- 24. Resolved, That a sum not exceeding Twenty-eight thousand dollars be granted to His Majesty to defray the expenses of Office of Toronto and York Crown Attorney for the year ending 31st March, 1938.
- 25. Resolved, That a sum not exceeding Twenty-six thousand, seven hundred dollars be granted to His Majesty to defray the expenses of Land Titles Office for the year ending 31st March, 1938.
- 26. Resolved, That a sum not exceeding Two thousand, six hundred and fifty dollars be granted to His Majesty to defray the expenses of Office of Drainage Trials for the year ending 31st March, 1938.
- 27. Resolved, That a sum not exceeding Eight hundred and sixty-five thousand and seventy dollars be granted to His Majesty to defray the expenses of Office of Audit of Criminal Justice Accounts for the year ending 31st March, 1938.
- 28. Resolved, That a sum not exceeding Sixty-one thousand, three hundred and twenty dollars be granted to His Majesty to defray the expenses of Office of Public Trustee for the year ending 31st March, 1938.
- 29. Resolved, That a sum not exceeding Sixty-four thousand and fifty dollars be granted to His Majesty to defray the expenses of Office of Fire Marshal for the year ending 31st March, 1938.
- 30. Resolved, That a sum not exceeding Thirty-four thousand, seven hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Office of Inspector of Legal Offices for the year ending 31st March, 1938.
- 31. Resolved, That a sum not exceeding Forty-eight thousand, one hundred dollars be granted to His Majesty to defray the expenses of Office of Local Master of Titles for the year ending 31st March, 1938.
- 32. Resolved, That a sum not exceeding Seven thousand dollars be granted to His Majesty to defray the expenses of Deputy Clerks of the Crown and Local Registrars for the year ending 31st March, 1938.

- 33. Resolved, That a sum not exceeding Eight hundred and eighty thousand, one hundred and ninety-five dollars be granted to His Majesty to defray the expenses of Law Enforcement Branch (Provincial Police) for the year ending 31st March, 1938.
- 34. Resolved, That a sum not exceeding Sixty-one thousand, two hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Ontario Securities Commission for the year ending 31st March, 1938.
- 35. Resolved, That a sum not exceeding Seventy-two thousand, one hundred dollars be granted to His Majesty to defray the expenses of Main Office, Department of Education for the year ending 31st March, 1938.
- 36. Resolved, That a sum not exceeding Seventeen thousand and twenty-five dollars be granted to His Majesty to defray the expenses of Legislative Library for the year ending 31st March, 1938.
- 37. Resolved, That a sum not exceeding Eight thousand, five hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Public Records and Archives Branch for the year ending 31st March, 1938.
- 38. Resolved, That a sum not exceeding Four million, one hundred and forty-four thousand, five hundred and ninety-five dollars be granted to His Majesty to defray the expenses of Public and Separate School Education for the year ending 31st March, 1938.
- 39. Resolved, That a sum not exceeding Five hundred and fifty-five thousand and fifty-one dollars be granted to His Majesty to defray the expenses of Inspection of Schools Branch for the year ending 31st March, 1938.
- 40. Resolved, That a sum not exceeding Two hundred and ninety-nine thousand, seven hundred and fifty dollars be granted to His Majesty to defray the expenses of Departmental Examinations Branch for the year ending 31st March, 1938.
- 41. Resolved, That a sum not exceeding Sixty-seven thousand, five hundred dollars be granted to His Majesty to defray the expenses of Text-Books Branch for the year ending 31st March, 1938.
- 42. Resolved, That a sum not exceeding One hundred and seventeen thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Training Schools Branch for the year ending 31st March, 1938.
- 43. Resolved, That a sum not exceeding One hundred and twenty-nine thousand, five hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Toronto Normal and Model Schools for the year ending 31st March, 1938.
- 44. Resolved, That a sum not exceeding Eighty-five thousand, two hundred and fifty dollars be granted to His Majesty to defray the expenses of Ottawa Normal and Model Schools for the year ending 31st March, 1938.
- 45. Resolved, That a sum not exceeding Forty-two thousand, one hundred and fifty dollars be granted to His Majesty to defray the expenses of London Normal School for the year ending 31st March, 1938.

- 46. Resolved, That a sum not exceeding Forty thousand, six hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Hamilton Normal School for the year ending 31st March, 1938.
- 47. Resolved, That a sum not exceeding Thirty-nine thousand, six hundred and eighty dollars be granted to His Majesty to defray the expenses of Peterborough Normal School for the year ending 31st March, 1938.
- 48. Resolved, That a sum not exceeding Thirty-four thousand, nine hundred and eighty dollars be granted to His Majesty to defray the expenses of Stratford Normal School for the year ending 31st March 1938.
- 49. Resolved, That a sum not exceeding Thirty-seven thousand, eight hundred dollars be granted to His Majesty to defray the expenses of North Bay Normal School for the year ending 31st March, 1938.
- 50. Resolved, That a sum not exceeding Eighty-nine thousand, five hundred and twenty-five dollars be granted to His Majesty to defray the expenses of University of Ottawa Normal School for the year ending 31st March, 1938.
- 51. Resolved, That a sum not exceeding Five hundred and fifty-two thousand, one hundred and fifty dollars be granted to His Majesty to defray the expenses of High Schools and Collegiate Institutes Branch for the year ending 31st March, 1938.
- 52. Resolved, That a sum not exceeding Ninety-three thousand dollars be granted to His Majesty to defray the expenses of Public Libraries Branch for the year ending 31st March, 1938.
- 53. Resolved, That a sum not exceeding One million, three hundred and sixteen thousand, five hundred dollars be granted to His Majesty to defray the expenses of Vocational Education Branch for the year ending 31st March, 1938.
- 54. Resolved, That a sum not exceeding Twenty-two thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Ontario Training College for Technical Teachers for the year ending 31st March, 1938.
- 55. Resolved, That a sum not exceeding Fifteen thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Superannuated Teachers for the year ending 31st March, 1938.
- 56. Resolved, That a sum not exceeding One million, eight hundred and eighty-four thousand, one hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Provincial and other Universities for the year ending 31st March, 1938.
- 57. Resolved, That a sum not exceeding One hundred and forty-five thousand, two hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Belleville School for the Deaf for the year ending 31st March, 1938.

- 58. Resolved, That a sum not exceeding Eighty-eight thousand, three hundred and forty-nine dollars be granted to His Majesty to defray the expenses of Brantford School for the Blind for the year ending 31st March, 1938.
- 59. Resolved, That a sum not exceeding Five thousand, two hundred dollars be granted to His Majesty to defray the expenses of Monteith Northern Academy for the year ending 31st March, 1938.
- 60. Resolved, That a sum not exceeding Seventy-five thousand, eight hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Main Office, Department of Game and Fisheries for the year ending 31st March, 1938.
- 61. Resolved, That a sum not exceeding Two hundred and ten thousand dollars be granted to His Majesty to defray the expenses of Districts Department of Game and Fisheries for the year ending 31st March, 1938.
- 62. Resolved, That a sum not exceeding Ten thousand dollars be granted to His Majesty to defray the expenses of Bird Farms, Department of Game and Fisheries for the year ending 31st March, 1938.
- 63. Resolved, That a sum not exceeding Nine thousand, five hundred dollars be granted to His Majesty to defray the expenses of Experimental Fur Farm, Department of Game and Fisheries for the year ending 31st March, 1938.
- 64. Resolved, That a sum not exceeding Four thousand dollars be granted to His Majesty to defray the expenses of Macdiarmid, Department of Game and Fisheries for the year ending 31st March, 1938.
- 65. Resolved, That a sum not exceeding One hundred and sixty-eight thousand and fifty dollars be granted to His Majesty to defray the expenses of Biological and Fish Culture Branch Department of Game and Fisheries for the year ending 31st March, 1938.
- 66. Resolved, That a sum not exceeding Three thousand, nine hundred dollars be granted to His Majesty to defray the expenses of Grants, Department of Game and Fisheries for the year ending 31st March, 1938.
- 67. Resolved, That a sum not exceeding Forty thousand dollars be granted to His Majesty to defray the expenses of Wolf Bounty for the year ending 31st March, 1938.
- 68. Resolved, That a sum not exceeding Forty thousand dollars be granted to His Majesty to defray the expenses of Main Office, General, Department of Game and Fisheries for the year ending 31st March, 1938.
- 69. Resolved, That a sum not exceeding One hundred and forty-nine thousand, one hundred and seventy dollars be granted to His Majesty to defray the expenses of Main Office, Department of Health for the year ending 31st March, 1938.
  - 70. Resolved, That a sum not exceeding Thirty-eight thousand, seven hundred

and seventy-five dollars be granted to His Majesty to defray the expenses of Maternal and Child Hygiene and Public Health and Nursing Branch for the year ending 31st March, 1938.

- 71. Resolved, That a sum not exceeding Eleven thousand, nine hundred and fifty dollars be granted to His Majesty to defray the expenses of Dental Service Branch for the year ending 31st March, 1938.
- 72. Resolved, That a sum not exceeding Sixteen thousand, six hundred and fifty dollars be granted to His Majesty to defray the expenses of Inspection of Training Schools for Nurses Branch for the year ending 31st March, 1938.
- 73. Resolved, That a sum not exceeding Two hundred and seventy-five thousand, nine hundred and fifty dollars be granted to His Majesty to defray the expenses of Preventable Diseases Branch for the year ending 31st March, 1938.
- 74. Resolved, That a sum not exceeding Sixty-five thousand, eight hundred and twenty dollars be granted to His Majesty to defray the expenses of Tuberculosis Prevention Branch for the year ending 31st March, 1938.
- 75. Resolved, That a sum not exceeding Fifty-three thousand and fifty dollars be granted to His Majesty to defray the expenses of Industrial Hygiene Branch for the year ending 31st March, 1938.
- 76. Resolved, That a sum not exceeding Forty-eight thousand, eight hundred and thirty dollars and sixty-nine cents be granted to His Majesty to defray the expenses of Sanitary Engineering Branch for the year ending 31st March, 1938.
- 77. Resolved, That a sum not exceeding Ninety-two thousand, nine hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Laboratory Branch for the year ending 31st March, 1938.
- 78. Resolved, That a sum not exceeding Fifty-four thousand, three hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Laboratory Division for the year ending 31st March, 1938.
- 79. Resolved, That a sum not exceeding Two million, three hundred and sixty-six thousand, three hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Hospitals Branch, General Office, Grants, etc., General Hospitals and Charities. General expenses, Ontario Hospitals for the year ending 31st March, 1938.
- 80. Resolved, That a sum not exceeding Three hundred and eighty-two thousand, eight hundred and seventy-seven dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Brockville for the year ending 31st March, 1938.
- 81. Resolved, That a sum not exceeding One hundred and sixty-eight thousand, nine hundred and seventy dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Cobourg for the year ending 31st March, 1938.

- 82. Resolved, That a sum not exceeding Ninety thousand, four hundred and ten dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Fort William for the year ending 31st March, 1938.
- 83. Resolved, That a sum not exceeding Five hundred and five thousand, six hundred and forty-five dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Hamilton for the year ending 31st March, 1938.
- 84. Resolved, That a sum not exceeding Four hundred and fifty-six thousand, five hundred and thirty dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Kingston, for the year ending 31st March, 1938.
- 85. Resolved, That a sum not exceeding Five hundred and ninety-seven thousand, nine hundred and eighty-two dollars be granted to His Majesty to defray the expenses of Ontario Hospital, London for the year ending 31st March, 1938.
- 86. Resolved, That a sum not exceeding Five hundred and sixty-five thousand, one hundred and fifty-five dollars be granted to His Majesty to defray the expenses of Ontario Hospital, New Toronto for the year ending 31st March, 1938.
- 87. Resolved, That a sum not exceeding Eighty-nine thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Ontario Hospital, New Toronto (Concord Unit) for the year ending 31st March, 1938.
- 88. Resolved, That a sum not exceeding Five hundred and thirty-nine thousand, one hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Orillia for the year ending 31st March, 1938.
- 89. Resolved, That a sum not exceeding Two hundred and thirty-four thousand, five hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Penetanguishene for the year ending 31st March, 1938.
- 90. Resolved, That a sum not exceeding Three hundred and seventy-seven thousand, eight hundred and thirty-seven dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Toronto for the year ending 31st March, 1938.
- 91. Resolved, That a sum not exceeding Six hundred and seventy-five thousand, three hundred and thirty-five dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Whitby for the year ending 31st March, 1938.
- 92. Resolved, That a sum not exceeding Two hundred and twenty-six thousand, seven hundred dollars be granted to His Majesty to defray the expenses of Ontario Hospital, Woodstock for the year ending 31st March, 1938.
- 93. Resolved, That a sum not exceeding One hundred and twenty-eight thousand, six hundred and nineteen dollars be granted to His Majesty to defray the expenses of Toronto Psychiatric Hospital for the year ending 31st March, 1938.

- 94. Resolved, That a sum not exceeding Two hundred and fifty thousand dollars be granted to His Majesty to defray the expenses of Proposed new temporary Hospital accommodation for the year ending 31st March, 1938.
- 95. Resolved, That a sum not exceeding Three hundred and thirty-four thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Main Office, Department of Highways for the year ending 31st March, 1938.
- 96. Resolved, That a sum not exceeding Forty-eight thousand and twenty-five dollars be granted to His Majesty to defray the expenses of Municipal Roads Branch for the year ending 31st March, 1938.
- 97. Resolved, That a sum not exceeding Forty thousand dollars be granted to His Majesty to defray the expenses of Gasoline Tax Branch for the year ending 31st March, 1938.
- 98. Resolved, That a sum not exceeding Fifteen thousand dollars be granted to His Majesty to defray the expenses of Permits, Gasoline Pumps, Signs and Garages Branch for the year ending 31st March, 1938.
- 99. Resolved, That a sum not exceeding Ninety-one thousand dollars be granted to His Majesty to defray the expenses of Equipment Branch for the year ending 31st March, 1938.
- 100. Resolved, That a sum not exceeding One hundred and fifty thousand dollars be granted to His Majesty to defray the expenses of Motor Vehicles Branch for the year ending 31st March, 1938.
- 101. Resolved, That a sum not exceeding Sixty-five thousand, seven hundred and ninety-five dollars be granted to His Majesty to defray the expenses of Main Office, Department of Insurance for the year ending 31st March, 1938.
- 102. Resolved, That a sum not exceeding Thirty-seven thousand, four hundred and six dollars and fifty cents be granted to His Majesty to defray the expenses of Main Office, Department of Labour for the year ending 31st March, 1938.
- 103. Resolved, That a sum not exceeding Twenty-nine thousand, four hundred and ninety dollars be granted to His Majesty to defray the expenses of Apprenticeship Branch for the year ending 31st March, 1938.
- 104. Resolved, That a sum not exceeding Fifteen thousand and fifty dollars be granted to His Majesty to defray the expenses of Boiler Inspection Branch for the year ending 31st March, 1938.
- 105. Resolved, That a sum not exceeding Nine thousand, seven hundred and seventy dollars be granted to His Majesty to defray the expenses of Factory Inspection Branch for the year ending 31st March, 1938.
- 106. Resolved, That a sum not exceeding Twenty-one thousand, four hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Board of Examiners of Operating Engineers for the year ending 31st March, 1938.

- 107. Resolved, That a sum not exceeding Two hundred and thirteen thousand, five hundred and fifty dollars be granted to His Majesty to defray the expenses of Ontario Government Employment Offices for the year ending 31st March, 1938.
- 108. Resolved, That a sum not exceeding Thirty-six thousand, two hundred and forty dollars be granted to His Majesty to defray the expenses of Minimum Wage Board for the year ending 31st March, 1938.
- 109. Resolved, That a sum not exceeding One hundred and fourteen thousand, five hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Composite Inspection Division for the year ending 31st March, 1938.
- 110. Resolved, That a sum not exceeding One hundred and seventy-five thousand, five hundred dollars be granted to His Majesty to defray the expenses of Main Office, Lands Branch, Department of Lands and Forests for the year ending 31st March, 1938.
- 111. Resolved, That a sum not exceeding Thirty-two thousand, six hundred dollars be granted to His Majesty to defray the expenses of Agents, Department of Lands and Forests for the year ending 31st March, 1938.
- 112. Resolved, That a sum not exceeding Nineteen thousand dollars be granted to His Majesty to defray the expenses of Rondeau Provincial Park for the year ending 31st March, 1938.
- 113. Resolved, That a sum not exceeding Five thousand dollars be granted to His Majesty to defray the expenses of New Parks, Department of Lands and Forests for the year ending 31st March, 1938.
- 114. Resolved, That a sum not exceeding One hundred and one thousand, seven hundred dollars be granted to His Majesty to defray the expenses of Main Office, Forests Branch, Department of Lands and Forests for the year ending 31st March, 1938.
- 115. Resolved, That a sum not exceeding One million, five hundred and seventy-three thousand dollars be granted to His Majesty to defray the expenses of Forest Ranging for the year ending 31st March, 1938.
- 116. Resolved, That a sum not exceeding Two hundred and eighty thousand dollars be granted to His Majesty to defray the expenses of Air Service, Department of Lands and Forests for the year ending 31st March, 1938.
- 117. Resolved, That a sum not exceeding Fifty-five thousand dollars be granted to His Majesty to defray the expenses of Radio Service, Department of Lands and Forests for the year ending 31st March, 1938.
- 118. Resolved, That a sum not exceeding Ten thousand dollars be granted to His Majesty to defray the expenses of Timber Trade Extension and Investigation, Department of Lands and Forests, for the year ending 31st March, 1938.

- 119. Resolved, That a sum not exceeding Ten thousand dollars be granted to His Majesty to defray the expenses of Woodmen's Employment Act, for the year ending 31st March, 1938.
- 120. Resolved, That a sum not exceeding Ten thousand dollars be granted to His Majesty to defray the expenses of Clearing Townsites and Removal of Fire Hazards, Department of Lands and Forests for the year ending 31st March, 1928.
- 121. Resolved, That a sum not exceeding Three thousand dollars be granted to His Majesty to defray the expenses of Forest Research, Department of Lands and Forests for the year ending 31st March, 1938.
- 122. Resolved, That a sum not exceeding Nine thousand, seven hundred dollars be granted to His Majesty to defray the expenses of Insect Control and Tree Diseases, Department of Lands and Forests for the year ending 31st March, 1938.
- 123. Resolved, That a sum not exceeding Eighty-two thousand, five hundred dollars be granted to His Majesty to defray the expenses of Lands Branch, Department of Lands and Forests for the year ending 31st March, 1938.
- 124. Resolved, That a sum not exceeding Seven thousand, five hundred dollars be granted to His Majesty to defray the expenses of Forestry Act, Department of Lands and Forests for the year ending 31st March, 1938.
- 125. Resolved, That a sum not exceeding Two hundred and twenty-five thousand dollars be granted to His Majesty to defray the expenses of Reforestation, Department of Lands and Forests, for the year ending 31st March, 1938.
- 126. Resolved, That a sum not exceeding Two hundred and fifty-four thousand, one hundred dollars be granted to His Majesty to defray the expenses of Office of the Speaker for the year ending 31st March, 1938.
- 127. Resolved, That a sum not exceeding Eight thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Office of Law Clerk for the year ending 31st March, 1938.
- 128. Resolved, That a sum not exceeding Four thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Office of Crown in Chancery for the year ending 31st March, 1938.
- 129. Resolved, That a sum not exceeding Fifteen thousand, six hundred and fifty dollars be granted to His Majesty to defray the expenses of Office of Lieutenant-Governor for the year ending 31st March, 1938.
- 130. Resolved, That a sum not exceeding Three hundred and two thousand, four hundred dollars be granted to His Majesty to defray the expenses of Main Office, Department of Mines for the year ending 31st March, 1938.
  - 131. Resolved, That a sum not exceeding Nine thousand, one hundred

dollars be granted to His Majesty to defray the expenses of Gasoline Oil Well Inspectors, Department of Mines for the year ending 31st March, 1938.

- 132. Resolved, That a sum not exceeding Five thousand dollars be granted to His Majesty to defray the expenses of Sulphur Fumes Arbitrator, Department of Mines for the year ending 31st March, 1938.
- 133. Resolved, That a sum not exceeding Twenty thousand dollars be granted to His Majesty to defray the expenses of Temiskaming Testing Laboratories, Department of Mines for the year ending 31st March, 1938.
- 134. Resolved, That a sum not exceeding Fifty thousand dollars be granted to His Majesty to defray the expenses of Office of Mining Recorders, Department of Mines for the year ending 31st March, 1938.
- 135. Resolved, That a sum not exceeding Nine thousand, one hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Office of Draughtsman, North Bay, Department of Mines for the year ending 31st March, 1938.
- 136. Resolved, That a sum not exceeding Four hundred and sixty-nine thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Main Office, Department of Municipal Affairs for the year ending 31st March, 1938.
- 137. Resolved, That a sum not exceeding Thirty-two thousand, three hundred dollars be granted to His Majesty to defray the expenses of Ontario Municipal Board for the year ending 31st March, 1938.
- 138. Resolved, That a sum not exceeding Nineteen thousand, four hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Main Office, Prime Minister's Department for the year ending 31st March, 1938.
- 139. Resolved, That a sum not exceeding Ten thousand and ninety-five dollars be granted to His Majesty to defray the expenses of Office of Executive Council for the year ending 31st March, 1938.
- 140. Resolved, That a sum not exceeding Sixty-two thousand, four hundred and eighty dollars be granted to His Majesty to defray the expenses of Travel and Publicity Bureau for the year ending 31st March, 1938.
- 141. Resolved, That a sum not exceeding Eleven thousand and eighty-five dollars be granted to His Majesty to defray the expenses of Office of Civil Service Commissioner for the year ending 31st March, 1938.
- 142. Resolved, That a sum not exceeding Thirty-two thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Office of the King's Printer for the year ending 31st March, 1938.
- 143. Resolved, That a sum not exceeding Eleven thousand, nine hundred and ten dollars be granted to His Majesty to defray the expenses of Office of the Controller of Finances for the year ending 31st March, 1938.

- 144. Resolved, That a sum not exceeding One hundred and thirteen thousand, five hundred dollars be granted to His Majesty to defray the expenses of Office of Provincial Auditor for the year ending 31st March, 1938.
- 145. Resolved, That a sum not exceeding Sixty thousand and forty dollars be granted to His Majesty to defray the expenses of Main Office, Department of Provincial Secretary for the year ending 31st March, 1938.
- 146. Resolved, That a sum not exceeding Fifty-three thousand, three hundred and sixty-five dollars be granted to His Majesty to defray the expenses of Registrar-General's Branch for the year ending 31st March, 1938.
- 147. Resolved, That a sum not exceeding Eighty-six thousand, eight hundred and five dollars be granted to His Majesty to defray the expenses of Main Office, Department of Provincial Secretary, for the year ending 31st March, 1938.
- 148. Resolved, That a sum not exceeding Twenty thousand, one hundred dollars be granted to His Majesty to defray the expenses of Board of Parole for the year ending 31st March, 1938.
- 149. Resolved, That a sum not exceeding Seven hundred and seventy-nine thousand dollars be granted to His Majesty to defray the expenses of Ontario Reformatory, Guelph for the year ending 31st March, 1938.
- 150. Resolved, That a sum not exceeding One hundred and fifteen thousand, five hundred dollars be granted to His Majesty to defray the expenses of Ontario Reformatory, Mimico for the year ending 31st March, 1938.
- 151. Resolved, That a sum not exceeding One hundred and forty-four thousand, three hundred dollars be granted to His Majesty to defray the expenses of Mercer Reformatory, Toronto for the year ending 31st March, 1938.
- 152. Resolved, That a sum not exceeding Three hundred and sixty-five thousand dollars be granted to His Majesty to defray the expenses of Industrial Farm, Burwash for the year ending 31st March, 1938.
- 153. Resolved, That a sum not exceeding Seventy-five thousand dollars be granted to His Majesty to defray the expenses of Ontario Reformatory, Guelph for the year ending 31st March, 1938.
- 154. Resolved, That a sum not exceeding Fifty thousand dollars be granted to His Majesty to defray the expenses of Industrial Farm, Burwash for the year ending 31st March, 1938.
- 155. Resolved, That a sum not exceeding Ninety-two thousand, four hundred and seventy-five dollars be granted to His Majesty to defray the expenses of Main Office, Department of Provincial Treasurer, for the year ending 31st March, 1938.
- 156. Resolved, That a sum not exceeding Thirty thousand dollars be granted to His Majesty to defray the expenses of Amusements Revenue Branch for the year ending 31st March, 1938.

- 157. Resolved, That a sum not exceeding Sixteen thousand, one hundred dollars be granted to His Majesty to defray the expenses of Board of Censors for the year ending 31st March, 1938.
- 158. Resolved, That a sum not exceeding Three hundred and fifty-four thousand, two hundred and sixty-five dollars be granted to His Majesty to defray the expenses of Controller of Revenue Branch for the year ending 31st March, 1938.
- 159. Resolved, That a sum not exceeding One hundred and thirty-seven thousand, two hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Post Office for the year ending 31st March, 1938.
- 160. Resolved, That a sum not exceeding Eight hundred thousand dollars be granted to His Majesty to defray the expenses of Main Office, Department of Provincial Treasurer for the year ending 31st March, 1938.
- 161. Resolved, That a sum not exceeding Two hundred and seventy-five thousand dollars be granted to His Majesty to defray the expenses of Main Office, Department of Public Welfare for the year ending 31st March, 1938.
- 162. Resolved, That a sum not exceeding One hundred and forty-nine thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Children's Aid Branch for the year ending 31st March, 1938.
- 163. Resolved, That a sum not exceeding One hundred and thirty-six thousand, five hundred dollars be granted to His Majesty to defray expenses of Ontario Training School for Boys, Bowmanville for the year ending 31st March, 1938.
- 164. Resolved, That a sum not exceeding Sixty-nine thousand, five hundred dollars be granted to His Majesty to defray the expenses of Ontario Training School for Girls, Galt for the year ending 31st March, 1938.
- 165. Resolved, That a sum not exceeding Five million, one hundred and forty-one thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Mothers' Allowances Commission for the year ending 31st March, 1938.
- 166. Resolved, That a sum not exceeding Three million, two hundred and seventy-nine thousand, seven hundred dollars be granted to His Majesty to defray the expenses of Old Age Pensions Commission for the year ending 31st March, 1938.
- 167. Resolved, That a sum not exceeding Nine million, five hundred and seventeen thousand, five hundred dollars be granted to His Majesty to defray the expenses of Old Age Pensions Commission for the year ending 31st March, 1938.
- 168. Resolved, That a sum not exceeding Eighty-six thousand, nine hundred and twenty-five dollars be granted to His Majesty to defray the expenses of Main Office, Department of Public Works for the year ending 31st March, 1938.

- 169. Resolved, That a sum not exceeding Twenty-eight thousand, two hundred dollars be granted to His Majesty to defray the expenses of General Superintendence, Department of Public Works for the year ending 31st March, 1938.
- 170. Resolved, That a sum not exceeding Twenty-four thousand, two hundred and fifty dollars be granted to His Majesty to defray the expenses of Government House, Department of Public Works for the year ending 31st March, 1938.
- 171. Resolved, That a sum not exceeding Three hundred and thirty-seven thousand, eight hundred dollars be granted to His Majesty to defray the expenses of Legislative and Departmental Buildings, Department of Public Works for the year ending 31st March, 1938.
- 172. Resolved, That a sum not exceeding Forty-eight thousand, six hundred dollars be granted to His Majesty to defray the expenses of Osgoode Hall, Department of Public Works for the year ending 31st March, 1938.
- 173. Resolved, That a sum not exceeding Fifty-one thousand, five hundred and twenty-four dollars be granted to His Majesty to defray the expenses of Educational Buildings, Department of Public Works for the year ending 31st March, 1938.
- 174. Resolved, That a sum not exceeding Nineteen thousand, six hundred and fifty dollars be granted to His Majesty to defray the expenses of Agricultural Buildings, Department of Public Works for the year ending 31st March, 1938.
- 175. Resolved, That a sum not exceeding Six thousand, five hundred and fifty dollars be granted to His Majesty to defray the expenses of Welfare Buildings, Department of Public Works for the year ending 31st March, 1938.
- 176. Resolved, That a sum not exceeding Twenty-nine thousand, two hundred and twenty dollars be granted to His Majesty to defray the expenses of District Buildings, Department of Public Works for the year ending 31st March, 1938.
- 177. Resolved, That a sum not exceeding Sixty-eight thousand dollars be granted to His Majesty to defray the expenses of Ontario Hospitals, Department of Public Works for the year ending 31st March, 1938.
- 178. Resolved, That a sum not exceeding Eleven thousand dollars be granted to His Majesty to defray the expenses of Legislative and Departmental Buildings, Osgoode Hall, Department of Public Works for the year ending 31st March, 1938.
- 179. Resolved, That a sum not exceeding Twenty thousand dollars be granted to His Majesty to defray the expenses of Educational Buildings, Brantford School for the Blind, Department of Public Works for the year ending 31st March, 1938.
- 180. Resolved, That a sum not exceeding Fifty-five thousand dollars be granted to His Majesty to defray the expenses of Welfare Buildings—Ontario Training School for Boys, Bowmanville, Ontario Training School for Girls, Galt for the year ending 31st March, 1938.

- 181. Resolved, That a sum not exceeding Two million, six hundred and fifty thousand dollars be granted to His Majesty to defray the expenses of Ontario Hospitals, Department of Public Works for the year ending 31st March, 1938.
- 182. Resolved, That a sum not exceeding Thirteen thousand dollars be granted to His Majesty to defray the expenses of District Buildings, Department of Public Works for the year ending 31st March, 1938.
- 183. Resolved, That a sum not exceeding Five hundred dollars be granted to His Majesty to defray the expenses of Miscellaneous, Department of Public Works for the year ending 31st March, 1938.
- 184. Resolved, That a sum not exceeding Two hundred and ninety thousand, four hundred dollars be granted to His Majesty to defray the expenses of Miscellaneous for the year ending 31st March, 1938.

The several Resolutions having been read the second time were concurred in.

The House, according to Order, resolved itself into the Committee of Ways and Means.

#### In the Committee

That there be granted out of the Consolidated Revenue Fund of this Province a sum not exceeding Fifty-four million, two hundred and twenty-three thousand, one hundred and ninety-nine dollars and ninety-four cents (\$54,223,199.94), to meet the Supply to that extent granted to His Majesty.

Mr. Speaker resumed the Chair; and Mr. Fulford reported, That the Committee had come to a Resolution.

Ordered, That the Report be received forthwith.

Mr. Fulford, from the Committee on Ways and Means, reported a Resolution, which was read as follows:—

That there be granted out of the Consolidated Revenue Fund of this Province a sum not exceeding Fifty-four million, two hundred and twenty-three thousand, one hundred and ninety-nine dollars and ninety-four cents (\$54,223,199.94), to meet the Supply to that extent granted to His Majesty.

The Resolution, having been read the second time, was agreed to.

The following Bill was then introduced and read the first time:-

Bill (No. 127), intituled "An Act for granting to His Majesty certain sums of Money for the Public Service of the Financial Year ending the 31st day of March, 1938. *Mr. Hepburn*.

Ordered, That the Bill be read the second time forthwith.

The Bill was then read a second time.

Ordered, That the Bill be read a third time forthwith.

The Bill was then read the third time and passed.

The following Bills were severally read the third time and were passed:—

Bill (No. 113), The Territorial Division Act.

Bill (No. 117), An Act to amend The Municipal Drainage Act.

Bill (No. 118), An Act to amend The Highway Traffic Act.

Bill (No. 119), An Act to amend The Commercial Vehicle Act, 1936.

Bill (No. 120), An Act to amend The Milk Control Act.

Bill (No. 121), An Act respecting The Abitibi Power and Paper Company Limited.

Bill (No. 123), An Act for Raising Money on the Credit of The Consolidated Revenue Fund.

Mr. Roebuck moved, seconded by Mr. Marshall,

Resolved, That it having been decided by the Judicial Committee of the Privy Council that laws providing for Weekly Rest in Industrial Undertakings. Minimum Wages, Limitations of Hours of Work, and Employment and Social Insurance are ultra vires of the Dominion Parliament and are within the legislative competence of the Provincial Legislatures; that it is desirable that legislation for such purposes be uniform and apply generally throughout Canada; that the Legislative Assembly of the Province of Ontario in Parliament Assembled is prepared to co-operate with the Parliament of Canada in bringing such laws into effect at the earliest possible moment and is prepared to enact concurrent legislation as may be necessary for that purpose; and that a copy of this resolution be forwarded to the Governor-General of Canada and to the Lieutenant-Governors of the Provinces.

And a Debate arising, after some time it was on the motion of Mr. Nixon (Brant) ordered that the Debate be adjourned.

On motion of Mr. Murphy, seconded by Mr. Baird,

Ordered, That there be laid before the House a Return showing: 1. What amount in Succession Duty accounts had been determined but was standing uncollected at January 31st, 1937. 2. What was the estimated amount of Succession Duties due the Province on January 31st, 1937. 3. Have any false or fraudulent Succession Duty returns been located by the Government. 4. If so, what steps have been taken by the Government to prosecute the persons responsible for the preparation and filing of such false or fraudulent returns.

On motion by Mr. Ellis, seconded by Mr. Heighington,

Ordered, That there be laid before this House a Return showing: 1. What was the estimated gross capital indebtedness (exclusive of Treasury Bills) at the time the present Government took office.

On motion of Mr. Welsh, seconded by Mr. Duckworth,

Ordered, That there be laid before this House a Return showing: 1. Have any steps been taken to increase Ontario Hospital accommodation at the Ontario Hospitals at New Toronto and at London and if so what steps have been taken. 2. What is the rated horsepower of the boilers in the heating plant at the Ontario Hospital, New Toronto. 3. Has any extra boiler capacity been added since the hospital was enlarged from a capacity of about 600 patients to its present capacity of about 1,500 with also the addition of a laundry building and a nurses' home. 4. When were the boilers last inspected and by whom. 5. Have any recommendations been made to the present government as to improvements, additions or new construction with respect to the heating plant at the Ontario Hospital, New Toronto, and if so, by whom and what was the nature of the recommendations.

On motion of Mr. Lancaster, seconded by Mr. Craig,

Ordered, That there be laid before this House a Return showing: 1. What amount of Succession Duty was collected in the fiscal years ending October 31st, 1934, March 31st, 1935, and March 31st, 1936, and indicating (a) the amount of Duty collected in each year; (b) the amount collected by way of penalties in each year and indicating the rate of penalty applying.

Mr. Welsh asked the following Question (No. 72):-

1. Has the Government taken any steps to complete construction of the following public works commenced by the former administration and closed down by the present administration, viz.: New Hospital Building, Smith's Falls; Patients' Building, Ontario Hospital, London; Nurses' Residence, Ontario Hospital, Woodstock; Nurses' Residence, Ontario Hospital, New Toronto; New Patients' Building, Ontario Hospital, New Toronto; New Boiler House, Ontario Hospital, New Toronto; Reconstruction of existing building for Hospital purposes, Port Arthur. 2. How much additional accommodation for patients would be made available by completion of these works.

The Honourable the Minister of Public Works and Highways replied as follows:—

1. Smith's Falls, New Building, No; Ontario Hospital, London, Patients' Building, No; Ontario Hospital, Woodstock, Nurses' Residence, No; Ontario Hospital, Hamilton, Nurses' Residence, Provision in estimates 1937-1938; Ontario Hospital, New Toronto, Addition to Nurses' Residence, No; Ontario Hospital, New Toronto, New Patients' Building, No; Ontario Hospital, New

Toronto, New Boiler House, No; (Wiley House), Port Arthur, Remodelling, No. 2, 782.

### Mr. Heighington asked the following Question (No. 91):-

1. From April 17th, 1935, to date, what is the number of flying hours in governmental owned aeroplanes of each Minister of the present government.

2. What other passengers have been carried on these trips accompanying the various Ministers.

The Honourable the Minister of Lands and Forests replied as follows:-

1. Prime Minister and Provincial Secretary, 25 minutes in demonstration test of new plane built by Ontario Air Service; Prime Minister, 1 hour 40 minutes during peak fire season; Minister of Mines, 1 hour 10 minutes, mining inspection; Minister of Lands and Forests, 18 hours 10 minutes, departmental inspections.

2. On one flight the Prime Minister was accompanied by three Members of Legislature, Secretary and Press Reporter. On five flights the Minister of Lands and Forests was the only passenger. On seven flights he was accompanied by others. The Minister of Mines made only one flight, accompanied by a party. These flights were all on Government business.

### Mr. Lancaster asked the following Question (No. 97):-

1. From August 1st, 1934, to date, what has been the total gross expenditure by Districts of (a) The Northern Development Department; (b) The Department of Lands and Forests.

The Honourable the Minister of Lands and Forests replied as follows:—

1. (a)—

| District and  | From Aug. 1st, 1934 |
|---------------|---------------------|
|               | to date             |
| Division      | \$ 1,521,872.27     |
| Huntsville    | 5,978,249.95        |
| North Bay     | 2 427 142 46        |
| Sudbury       | 1 022 103 71        |
| New Liskeard  | 1 512 050 ()5       |
| Matheson      | 1 201 500 13        |
| Cochrane      | 10 (07 001 11       |
| Fort William. | 0.410.201.14        |
| Kenora        | 758 215 20          |
| Fort Frances. | 4 001 105 36        |
| Blind River   | 0.000 122 20        |
| Parry Sound   | 2 006 560 15        |
| Vinmount      | 1 255 004 01        |
| Barry's Bay   | 1 200 830 17        |
| Madoc         |                     |
|               | \$46,126,146.05     |
| Totals        |                     |

| 2. (b)—     |                |
|-------------|----------------|
| Algoma      | .\$ 515,411.61 |
| Cochrane    | . 500,692.56   |
| Kenora      | . 784,198.25   |
| Muskoka     | . 48,948.33    |
| Manitoulin  | . 8,805.81     |
| Nipissing   |                |
| Parry Sound |                |
| Rainy River |                |
| Sudbury     |                |
| Temiskaming |                |
| Thunder Bay | . 902,934.55   |
|             |                |
|             | \$4,540,494.81 |

1937

### Mr. Ellis asked the following Question (No. 111):-

1. How many positions does Mr. Chester S. Walters now occupy in the public service and what are they. 2. What was (a) date of Mr. Walters' original appointment; (b) his commencing salary; (c) what increases in salary has he received, if any, and on what dates and (d) what is his present salary. (3) Did the Civil Service Commissioner issue his certificate regarding the appointment of Mr. Walters as required by the Ontario Public Service Act and if increases have been granted, did the Civil Service Commissioner issue his certificate approving of such increases.

### The Honourable the Prime Minister replied as follows:—

1. Mr. Chester S. Walters occupies four executive positions in the Ontario Public Service, viz.: Controller of Finances, Prime Minister's Department; Deputy Minister, Treasury Department; Director Provincial Savings Offices, Treasury Department; Deputy Minister, Public Works Department. 2. (a) 24th July, 1934; (b) \$5,000.00 per annum; (c) Mr. Walters received an additional salary of \$2,000 per annum when appointed Controller of Finances January 29th, 1935; \$1,000 per annum additional when appointed Deputy Minister of the Treasury, August 31st, 1935, and \$2,000 per annum increase effective February 1st, 1937; (d) \$10,000.00 per annum. 3. No.

### Mr. Craig asked the following Question (No. 137):—

1. Who are the members of the Ontario Milk Control Board. 2. What salaries and expenses have they received this fiscal year up to March 15th, 1937.

The Honourable the Minister of Agriculture replied as follows:-

1. J. E. Houck, Chairman, J. A. MacFeeters, J. S. Beck.

Amount paid

| 2.—              |            |          |
|------------------|------------|----------|
|                  | Salaries   | Expenses |
| J. E. Houck      | \$4,317.00 | \$162.25 |
| J. A. MacFeeters | 2,205.00   | 49.35    |
| J. S. Beck       | 3,495.00   | 336.58   |

### Mr. Heighington asked the following Question (No. 138):-

1. How many Crown Prosecutors at assizes or other Courts of the Province have been appointed since April 1st, 1936, giving the name, legal matter or assize, and the amount paid in each case.

The Honourable the Attorney-General replied as follows:-

| 4 |   |   |  |
|---|---|---|--|
| L | - | - |  |

Date

Assize

### SPRING ASSIZES, 1936

Counsel

| April 6  " 7 14  " 20 May 5 " 11 " 18 " 19 June 9 | Sault Ste. Marie Cochrane Orangeville Pembroke Haileybury Cayuga Parry Sound Ottawa Windsor Fort Frances Bracebridge | .W. J. Scott, Attorney-General's Dept  |
|---|--|--|
|   |  | FALL ASSIZES, 1936   |
| Sept. 8   | Kitchener  | Craig McKay, Crown Attorney  |
| " 14  | Windsor<br>Chatham<br>Brantford  | H. D. Smith, Crown Attorney  |
|   | St. Catharines   | C. R. Magone, Attorney-General's Dept 102.05 (Trav. exp.)  P. S. Golding, Attorney-General's Dept 34.40 (Trav. exp.)  Frie Silk Attorney-General's Dept 31.90 (Trav. exp.) |
| " 21  | Llamilton  | G. W. Ballard, Crown Attorney  |
| " 28  | T ' and a second   | Gric Silk Afforney-General's Debt  |
|   | Cornwall   | I Sedgwick Attorney-General's Dept 11.45 (Trav. exp.)  |
| Oct. 5  | Carola Cha Maria   | J. L. O'Flynn, Crown Attorney  |
|   | C 11   | L Sadgwick Attorney-General's Dept 36.22 (Trav. exp.)  |
| " 6   |  |  |
| " 12  | Whitby   | G. D. Conant, Crown Attorney 94.55   |
|   | Cd   | W E Goodwin Crown Attorney   |
| " 13  | Y I '1 l   | I B Robinson Crown Attorney  |
| 10  | C  | H Arrell ( rown Afforney   |
| <b>"</b> 10                                       | C 1  | E. D. Pagga Crown Attorney 10.00   |
| " 19  | T 10 '   | Sodamick Attorney (Tellifial 5 Delicinia   |
|   | Brampton   | A. G. Davis, Crown Attorney 10.00  |
|   |  |  |

### FALL ASSIZES 1936—Continued

| Date         | Ac              | size                    | Counsel  | Amount paid                             |
|--------------|-----------------|-------------------------|--|---|
|              |                 |                         |  | •                                       |
| Oct. 20      | Fort F          | rances N. L. Croot      | er, Attorney-General's Dept<br>ne, Crown Attorney  | 86.00 (1 rav. exp.)                     |
| " 26         | Bellevi         | lleB. C. Donn           | an, Crown Attorney                                 | 10.00                                   |
|              | St. The         | omasE. W. Hain          | es, Crown Attorney                                 | Account not rendered 20.00 (Trav. exp.) |
| " 27         | Barrie.         | E. C. Poph              | Attorney-General's Dept am, Crown Attorney         | Nil (On salary)                         |
| 21           | Walker          | ton C. L. Snyde         | er. Attorney-General's Dept                        | 42.75 (Trav. exp.)                      |
| Nov. 2       | Brocky          | illeJ. Sedgwick         | , Attorney-General's Dept                          | 49.45 (Trav. exp.)                      |
| " 2          | Milton          | W. I. Dick,             | Crown Attorneymon, Attorney-General's Dept.        | 10.00<br>44.35 (Trav. exp.)             |
| " 3          | Owen S          | SoundI. F. P. Bir       | nie. Crown Attornev                                | 117.65                                  |
| " 9          | Picton.         | G. Walmsle              | y, Crown Attorney<br>Crown Attorney                | Account not rendered                    |
| " 10         | Napan           | eeK. S. Ham,            | Crown Attorney                                     | 10.00<br>10.00                          |
| " 10         | Urange<br>Porth | W W Poll                | s, Crown Attorneyock, Crown Attorney               | Nil (On salary)                         |
| Dec. 1       | Pembro          | okeH. B. Johns          | son, Crown Attorney                                | 10.00                                   |
|              | Braceb          | ridgeJ. Sedgwick        | , Attorney-General's Dept                          | 21.30 (Trav. exp.)                      |
|              |                 | WINTER                  | R ASSIZES, 1937                                    |   |
| Jan. 11      | Toront          | W. B. Com               | mon, Attorney-General's Dept.                      | Nil                                     |
| Jam          | Ottawa          | R. Mercier,             | Crown Attorney                                     | Nil (On salary)                         |
| ű 10         | Windso          | orJ. S. Allen,          | Crown Attorney                                     | Nil (On salary)                         |
| " 18<br>25   | London          | I. Sedgwick             | ard, Crown Attorney<br>, Attorney-General's Dept   | \$ 42.20 (Tray, exp.)                   |
| 20           | Donao           |                         |  | # 12.20 (110.00 co.F.)                  |
| T 1 4        | Y71. 1          |                         | ASSIZES, 1937                                      | \$ 20 (0 (T)                            |
| Feb. 1       | Kitche          | nerJ. Sedgwick          | x, Attorney-General's Dept<br>y, Crown Attorney    | \$ 39.00 (1 rav. exp.)<br>10.00         |
| " 2          | Peterb          | orough                  | r, Attorney-General's Dept                         | 29.10 (Trav. exp.)                      |
| " 0          | Bellevi         | lleB. C. Donn           | an, Crown Attorney                                 | 10.00                                   |
| " 8          |                 |                         | n, Crown Attorneyor, Crown Attorney                |   |
|              | Bramp           | tonA. G. Davi           | s, Crown Attorney                                  | 10.00                                   |
| " 1E         | Wellan          | dH. W. Mac              | oomb, Crown Attorney                               | 113.15                                  |
| " 15<br>" 16 | Guelph          | J. M. Kear              | ns, Crown Attorneyes, Crown Attorney               | 10.00<br>10.00                          |
| 10           | Barrie.         | F. G. Evan              | s, Crown Attorneys,                                | 10.00                                   |
| " 22         | Lindsa          | v J. E. Ander           | son, Crown Attorney                                | 10.00                                   |
| " 22         | Stratfo         | ordW. E. Good           | lwin, Crown Attorney                               | Account not rendered                    |
|              | Woods           | tock Craig McK          | er, Attorney-General's Dept<br>ay, Crown Attorney  | Account not rendered                    |
|              | Cornw           | allI. G. Harkı          | iess, Crown Attorney                               | 10.00                                   |
|              | Owen S          | SoundJ. F. P. Bir       | nie, Crown Attorney                                | 86.00                                   |
|              |                 |                         | MINISTRATION OF JUSTI                              | CE                                      |
| Joseph Se    | edgwick         | Attorney-General's Dept |  |   |
| F. E. D.     | Wallace         | Crown Attorney, Brantfo |  | County 76.95                            |
| P. S. Gold   | ding            | Attorney-General's Dept |  | County 18.20                            |
| W. B. Co     | mmon            | Attorney-General's Dept |  |   |
|              |                 |                         | Brant County                                       | 12.10                                   |
| Eric Silk    |                 | Attorney-General's Dept | (Conducting Preliminary I<br>Rex vs. Fitzmaurice—N |   |
|              |                 | у э э өрс               | berland and Durham Co<br>(Prosecution at General S | ounties 4.00                            |
|              |                 |                         | , decement at General e                            | (Tav. cap.)                             |

### Mr. Heighington asked the following Question (No. 142):-

1. How many settlements have been made, other than those reported in reply to Question No. 44 of the 1935 Session, between the Province of Ontario

and holders of Timber Licenses who on July 11th, 1934, were in arrears in timber dues. 2. With whom were these settlements made. 3. What was owing to this Province previous to the settlement. 4. What was the amount at which settlement was made. 5. What was the location of each area upon which settlement was made. 6. What was the acreage or mileage in each case.

The Honourable the Minister of Lands and Forests replied as follows:—

1. 21 settlements.

2.---

D. A. Clark
Acme Timber Company
Bethune Pulp and Lumber Co.
P. A. Duff
Chas. H. Greer
Russell McKechnie
Bailey-Martin Lumber Co.
Ed. Gagne Lumber Company
H. C. Dunbar
Pakesley Lumber Company
Bank of Montreal, per Murray & Omanique.

J. S. L. McRae
Wakami Lumber Company
T. S. Woollings
B. McLellan
W. C. Cochrane
Fort Frances P. & P. Co.
Nipigon Corporation Limited
Rock Lake Lumber Company
Marathon Lumber Company
Canadian Timber Company

3. \$405,417.71. 4. \$338,162.60. Difference between (3) and (4) is covered by timber rights reconveyed to Crown.

1.1 T.1....12

5.--

| Name                     | Township or Limit               |                  |       |       |
|--------------------------|---------------------------------|------------------|-------|-------|
| D. A. Clark              | .Block D                        | $13\frac{1}{2}$  | sq. 1 | miles |
| Acme Timber Company      | .Regan, Penhorwood, Hardiman    | $188\frac{1}{2}$ | sq.   | miles |
| Bethune Pulp and Lumber  | .Finlayson                      | 40               | sq. : | miles |
| P. A. Duff               | .Hunter                         | $17\frac{1}{4}$  | sq.   | miles |
| Chas. H. Greer           | .M. 31 and 32, etc              | 144              | sq.   | miles |
| R. McKechnie             | .Block A                        | 26               |       | miles |
| Bailey-Martin Lumber Co  | McClure                         | 8                | sq.   | miles |
| Bank of Montreal, per    |                                 |                  |       |       |
| Murray and Omanique      | .Madawaska River                |                  | -     | miles |
| Marathon Lumber Company. | .Scollard, Blair, etc           | 75               | -     | miles |
| E. Gagne Lumber Company  | .Fallon and Cleaver             | 36               |       | miles |
| H. C. Dunbar             | .Fauquier                       | $10\frac{1}{2}$  |       | miles |
| Pakesley Lumber Company  | .Blair and Mowat                | 30               |       | miles |
| I. S. L. McRae           | Canisbay                        | 64               |       | miles |
| Wakami Lumber Company    | Townships 21, 23, etc           | 133              |       | miles |
| T. S. Woollings          | Cook                            | 36               |       | miles |
| D. McLellan              | .Kittson and Dane               | $27\frac{1}{2}$  |       | miles |
| W. C. Cochrane           | Noble, Groves, etc              | 90               | A     | miles |
| Fort Frances P. & P. Co  | I. A. 7                         | 15               |       | miles |
| Canadian Timber Company  | Flett, Gladman, etc             | 75               | a. a. | miles |
| Ninigon Corporation Ltd  | Area S. and E. of Lake NipigonI | ,308             |       | miles |
| Rock Lake Lumber Co      | A. T. W. Berths                 | 15               | sq.   | miles |
|                          |                                 |                  |       |       |

### Mr. Kidd asked the following Question (No. 145):-

1. In what year was the present Public School at Codrington, School Section No. 15, Brighton Township, built. 2. In what year was the Separate School at Codrington built. 3. What was the average school attendance at the Public School prior to the opening of the Separate School. 4. What has been the average school attendance at the Public School for the years 1933, 1934, 1935 and 1936. 5. What has been the average school attendance at the Separate School for the years 1933, 1934, 1935 and 1936. 6. What is the amount of the yearly grant paid to each school, by the Department, for the years 1933, 1934, 1935 and 1936. 7. What is the total amount of grants paid to each school, by the Department, since the erection of the Separate School. 8. How many teachers are employed in each school.

The Honourable the Minister of Education replied as follows:—

1. 1886. Original Public School built about 100 years ago. 2. 1918. Original Separate School built about 80 years ago. 3. 15. No records available of attendance for period when original Public and Separate Schools were opened. 4. 1933, 13; 1934, 15; 1935, 15; 1936, 16. 5. 1933, 6; 1934, 4; 1935, 5; 1936, 3. 6. Public Schools, 1933, \$340.68; 1934, \$287.97; 1935, \$235.98; 1936, \$264.65. Separate Schools, 1933, \$245.32; 1934, \$202.95; 1935, \$141.83; 1936, \$150.30. 7. Public School, \$6,353.45. Separate School, \$5,106.31. 8. Public School, 1. Separate School, 1.

### Mr. Challies asked the following Question (No. 152):—

1. What power plants have been purchased by the Hydro-Electric Power Commission since July, 1934, giving particulars in each case as to: (a) Installed Capacity; (b) Price paid; (c) Date of Construction; (d) Location; (e) Date of Purchase.

### The Honourable the Attorney-General replied as follows:—

1. Three plants from the Canada Cement Company with interconnecting transmission lines: (a) 4,200 electrical horsepower; (b) \$225,000.00; (c) One plant built in 1900, one plant built in 1903, one plant built in 1928; (d) On the Otonabee River in the vicinity of the Village of Lakefield; (e) Approved by Commission Meeting, November 5th, 1936—Conveyancing not completed.

### Mr. Habel asked the following Question (No. 153):-

Give the names of Ministers and Members of the Legislature using Government-owned Aeroplanes in 1931 and 1934.

| М                 | inisters   | Members         |
|-------------------|--|-----------------|
| 1931Hon.          | . Wm. Finlayson  | Gen. D. Hogarth |
| Hon.<br>Hon.      | . Wm. Finlayson.<br>. W. G. Martin<br>Geo. Henry.<br>. T. L. Kennedy | James Lyons     |
| Hon.<br>Hon.      | Wm. Finlayson<br>Geo. Henry<br>J. M. Robb.<br>T. L. Kennedy          | T. J. Mahoney   |
| 1934 Hon.<br>Hon. | Wm. Finlayson<br>Peter Heenan  |                 |

The House resolved itself into a committee, severally to consider the following Bills:—

Bill (No. 9), An Act respecting the Association of Professional Engineers.

Bill (No. 14), An Act respecting the Town of Renfrew.

Bill (No. 17), An Act respecting the City of Brantford.

Bill (No. 19), An Act respecting the City of London.

Bill (No. 26), An Act respecting the Village of Forest Hill.

Bill (No. 28), An Act respecting the Municipality of Dysart.

Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the several Bills without Amendments.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bills reported, be severally read the third time to-day.

The House resolved itself into a Committee to consider Bill (No. 96), An Act to Repeal Chapter 4 of the Statutes of Ontario, 1936, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time to-day.

The House resolved itself into a Committee to consider Bill (No. 124), An Act to amend The Legislative Assembly Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-day.

The House again resolved itself into a Committee to consider Bill (No. 122), The Statute Law Amendment Act, 1937, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill with certain amendments.

Ordered, That the Amendments be taken into consideration forthwith.

The Amendments, having been read the second time, were agreed to.

Ordered, That the Bill be read the third time to-day.

The House resolved itself into a Committee to consider Bill (No. 125), An Act to amend The Provincial Land Tax Act, and, after some time spent therein, Mr. Speaker resumed the Chair; and Mr. Clark reported, That the Committee had directed him to report the Bill without any amendment.

Ordered, That the Bill be read the third time to-day.

The Order of the Day for the second reading of Bill (No. 126), An Act to amend The Insurance Act having been read, and the motion having been put was lost and so it was declared in the negative.

On motion of Mr. Hepburn, seconded by Mr. Nixon (Brant),

*Ordered*, That the full Sessional Indemnity be paid to those Members absent on account of illness or other unavoidable cause.

On motion of Mr. Hepburn, seconded by Mr. Nixon (Brant),

Ordered, That as the Members of this House were put to the expense of an extra journey to the seat of Government, owing to the adjournment from Friday, January 29th, to Tuesday, February 16th, the Clerk of the House and the Legislative Accountant are hereby authorized to pay to each Member double the mileage allowance provided by Section 74 of The Legislative Assembly Act.

The following Bills were severally read the third time and were passed:-

Bill (No. 23), An Act respecting the County of York.

Bill (No. 97), An Act to amend The Highway Traffic Act.

Bill (No. 122), The Statute Law Amendment Act, 1937.

Bill (No. 124), An Act to amend The Legislative Assembly Act.

Bill (No. 125), An Act to amend The Provincial Land Tax Act.

Bill (No. 96), An Act to Repeal Chapter 4 of the Statutes of Ontario, 1936.

Bill (No. 9), An Act respecting the Association of Professional Engineers.

Bill (No. 14), An Act respecting the Town of Renfrew.

Bill (No. 17), An Act respecting the City of Brantford.

Bill (No. 19), An Act respecting the City of London.

Bill (No. 26), An Act respecting the Village of Forest Hill.

Bill (No. 28), An Act respecting the Municipality of Dysart.

Mr. Clark, from the Standing Committee on Public Accounts, presented their report which was read, as follows, and adopted:—

To the Honourable the Legislative Assembly of the Province of Ontario:

### Gentlemen:

Your Committee has had produced before it documents and correspondence and heard evidence in connection with the construction of the Kenora-Fort Frances Highway and Trans-Canada Highway east of Kenora; certain items under the heading Hydro-Electric Power Commission; bonds guaranteed by the Province; public debt; repairs to certain hospitals; clearing, grading, etc., Trans-Canada Highway, between Schreiber and White River, and begs to report the evidence taken, transcript of which is hereto attached and exhibits filed.

Your Committee sat on the following dates: March 2nd, March 10th, March 12th, March 17th, March 19th, March 22nd, March 24th, and March 25th, 1937.

Your Committee examined the following witnesses: R. A. Campbell, former deputy minister of Northern Development; R. M. Smith, deputy minister of Highways; Thomas Stewart Lyon, chairman, Hydro-Electric Power Commission of Ontario; Richard Thomas Jeffrey, Chief Municipal Engineer, Hydro-Electric

Power Commission; Chester S. Walters, Controller of Finance; W. J. Bishop, Dr. Bernard, T. McGhie and Hon. Dr. J. A. Faulkner, Minister of Health.

Public Accounts Committee Room, Thursday, March 25th, 1937.

The Provincial Secretary presented to the House, by command of The Honourable the Lieutenant-Governor:—

Report of the Department of Municipal Affairs, Ontario. (Sessional Papers No. 57.)

Also, Copies of Orders-in-Council pertaining to the Department of Education, 1936-37. (Sessional Papers No. 58.)

Also, Report of The Milk Control Board of Ontario for year ending December 31st, 1936. (Sessional Papers No. 59.)

Also, Report of the Registrar-General of Ontario. (Sessional Papers No. 13.)

Papers in connection with contracts, etc., of Dionne Quintuplets laid on the Table of the House by the Honourable the Minister of Public Welfare, Municipal Affairs and Labour. (Sessional Papers No. 56.)

The Honourable the Lieutenant-Governor proceeded in State to the Legislative Assembly and being seated upon the Throne,

Mr. Speaker addressed His Honour in the following words:-

May it please Your Honour:

The Legislative Assembly of the Province has at its present Sittings thereof passed several Bills to which, in the name and on behalf of the said Legislative Assembly, I respectfully request Your Honour's Assent.

The Clerk Assistant then read the titles of the Acts that had passed severally as follows:—

Bill (No. 1), An Act respecting the Town of Leamington.

Bill (No. 2), An Act respecting the Roman Catholic Episcopal Corporation of the Diocese of Sault Ste. Marie.

Bill (No. 3), An Act respecting the Sisters of St. Joseph of the Diocese of Sault Ste. Marie.

Bill (No. 4), An Act respecting the Town of Kapuskasing.

Bill (No. 5), An Act respecting the City of Sarnia.

Bill (No. 6), An Act respecting the City of Toronto.

Bill (No. 7), An Act respecting the Township of Sarnia.

Bill (No. 8), An Act respecting the County of Grey and the City of Owen Sound.

Bill (No. 9), An Act respecting the Association of Professional Engineers.

Bill (No. 10), An Act respecting the Township of Cornwall.

Bill (No. 11), An Act respecting the Pelee Island Co-Operative Association.

Bill (No. 14), An Act respecting the Town of Renfrew.

Bill (No. 15), An Act respecting the Town of Dundas.

Bill (No. 16), An Act respecting the City of Hamilton.

Bill (No. 17), An Act respecting the City of Brantford.

Bill (No. 18), An Act respecting the City of Oshawa.

Bill (No. 19), An Act respecting the City of London.

Bill (No. 20, An Act respecting the City of Belleville.

Bill (No. 21), An Act respecting the Township of East York.

Bill (No. 22), An Act respecting the City of St. Catharines.

Bill (No. 23), An Act respecting the County of York.

Bill (No. 26), An Act respecting the Village of Forest Hill.

Bill (No. 27), An Act respecting the City of Ottawa.

Bill (No. 28), An Act respecting the Municipality of Dysart.

Bill (No. 29), An Act to amend The Municipal Drainage Act.

Bill (No. 44), An Act to amend The Employment Agencies Act.

Bill (No. 45), An Act to amend The Beach Protection Act.

Bill (No. 47), An Act to amend The Public Health Act.

Bill (No. 49), An Act to amend The Land Surveyors Act, 1931.

Bill (No. 50), An Act to amend The Dionne Quintuplet Guardianship Act, 1935.

Bill (No. 51), An Act to repeal The Hairdressers' and Barbers' Association Act, 1933.

Bill (No. 52), An Act to amend The Department of Labour Act.

Bill (No. 54), An Act to amend The Voters' Lists Act.

Bill (No. 55), An Act to amend The Conditional Sales Act.

Bill (No. 57), An Act to amend The Fire Marshals Act.

Bill (No. 58), The Mortgagors' and Purchasers' Relief Act, 1937.

Bill (No. 59), An Act to amend The Jurors' Act.

Bill (No. 60), An Act to amend The Registry Act.

Bill (No. 61), An Act to amend The Division Courts Act.

Bill (No. 62), An Act to amend the County Courts Act.

Bill (No. 63), An Act to amend The General Sessions Act.

Bill (No. 65), An Act to repeal The Radium Act.

Bill (No. 66), The Village of Vienna Rural Power Act, 1937.

Bill (No. 67), An Act to validate certain Contracts entered into by the Hydro-Electric Power Commission of Ontario and Ottawa Valley Power Company.

Bill (No. 68), An Act to amend The County Judges Act.

Bill (No. 70), An Act to encourage the Mining of Iron Ore.

Bill (No. 72), An Act to amend The Minimum Wage Act.

Bill (No. 73), An Act to amend The Mechanics' Lien Act.

Bill (No. 74), An Act to amend The Surrogate Courts Act.

Bill (No. 75), An Act to amend The Power Commission Act.

Bill (No. 77), An Act respecting the Adoption of a Floral Emblem for the Province of Ontario.

Bill (No. 78), An Act to amend The Workmen's Compensation Act.

Bill (No. 79), The Operating Engineers Act, 1937.

Bill (No. 80), An Act to amend The Apprenticeship Act, 1928.

Bill (No. 81), An Act respecting Municipal Employees' Pensions.

Bill (No. 82), An Act to amend The Lunacy Act.

Bill (No. 83), An Act to amend The Devolution of Estates Act.

Bill (No. 84), An Act to amend The Married Women's Property Act.

Bill (No. 85), The Shallow Lake and Tiverton Rural Power Act, 1937.

Bill (No. 86), An Act to amend The Mothers' Allowances Act.

Bill (No. 87), An Act to amend The Old Age Pensions Act, 1929.

Bill (No. 88), The Municipal Subsidy Act, 1937.

Bill (No. 89), An Act to amend The Assessment Act.

Bill (No. 90), An Act to amend The Industrial Standards Act, 1935.

Bill (No. 91), An Act to amend The Dairy Products Act.

Bill (No. 92), An Act respecting Plant Diseases and Insects.

Bill (No. 93), An Act respecting the Grading of Farm Products.

Bill (No. 96), An Act to repeal Chapter 4 of the Statutes of Ontario, 1936.

Bill (No. 97), An Act to amend The Highway Traffic Act.

Bill (No. 100), An Act to amend The Dog Tax and Live Stock Protection Act.

Bill (No. 101), The Burlington Beach Act, 1937.

Bill (No. 102), An Act to amend The Municipal Amendment Act, 1937.

Bill (No. 103), An Act to amend The Game and Fisheries Act.

Bill (No. 104), An Act to amend The Tile Drainage Act, 1929.

Bill (No. 105), An Act respecting the Sale of Pulpwood by Settlers.

Bill (No. 106), The School Law Amendment Act, 1937.

Bill (No. 107), An Act to amend The Provincial Parks Act.

Bill (No. 108), An Act to amend The Pharmacy Act.

Bill (No. 109), An Act to amend The Telephone Act.

Bill (No. 110), An Act to amend The Securities Act, 1930.

Bill (No. 111), An Act to repeal The Amusements Tax Act.

Bill (No. 112), The Gold Clauses Act, 1937.

Bill (No. 113), The Territorial Division Act, 1937.

Bill (No. 114), An Act respecting the Control of Farm Products.

Bill (No. 117), An Act to amend The Municipal Drainage Aid Act.

Bill (No. 118), An Act to amend The Highway Traffic Act.

Bill (No. 119), An Act to amend The Commercial Vehicle Act, 1936.

Bill (No. 120), An Act to amend The Milk Control Act, 1934.

Bill (No. 121), An Act respecting Abitibi Power and Paper Company, Limited.

Bill (No. 122), The Statute Law Amendment Act, 1937.

Bill (No. 123), An Act for Raising Money on the Credit of the Consolidated Revenue Fund.

Bill (No. 124), An Act to amend The Legislative Assembly Act.

Bill (No. 125), An Act to amend The Provincial Land Tax Act.

To these Acts the Royal Assent was announced by the Clerk of the Legislative Assembly in the following words:—

"In His Majesty's name, His Honour the Lieutenant-Governor doth assent to these Acts."

Mr. Speaker then said:

May it please Your Honour:

We, His Majesty's most dutiful and faithful subjects, the Legislative Assembly of the Province of Ontario, in Session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to His Majesty's person and Government, and humbly beg to present for Your Honour's acceptance a Bill intituled "An Act for granting to His Majesty certain sums of money for the Public Service of the financial year ending the 31st day of March, 1938."

To this Act the Royal Assent was announced by the Clerk of the Legislative Assembly in the following words:—

"The Honourable the Lieutenant-Governor doth thank His Majesty's dutiful and loyal Subjects, accept their benevolence and assent to this Bill in His Majesty's name."

His Honour was then pleased to deliver the following speech:-

Mr. Speaker and Gentlemen of the Legislative Assembly.

As your Sessional duties have now been completed, it is my pleasure to relieve you of further attendance, and in doing so, I desire to express my appreciation of the service you have rendered.

Since the Session commenced, the Legislature has suffered a deep loss in the sudden death of the member for North Wellington. The late Dr. McQuibban had been a member of this Assembly since 1926, faithful in the discharge of his duties, and on your behalf, I pay tribute to his memory.

I am happy to note that at the beginning of the Session, a message of loyal devotion was sent by you to His Majesty, King George VI. The forthcoming Coronation will be the occasion of universal rejoicing and will, we trust, usher in a long and happy reign.

The Budget of the Provincial Treasurer, revealing an unprecedented surplus of over Seven Millions of Dollars in the financial operations of the Province during the past year, was received with wide-spread satisfaction. It is a matter for gratification that the heavy expenditures for Unemployment Relief were met entirely out of current Revenue.

This improvement in Provincial finances has permitted the Government to grant a subsidy of one mill on the dollar of rateable assessment to every municipality in Ontario, and to abolish completely the Amusements Tax. Municipalities benefit further in being relieved of any cost for Old Age Pensions and for Mothers' Allowances. Other benefits to be passed on to the public include a reduction in the license fees for commercial vehicles and lowering in the rate of interest on drainage debentures from five to four per cent. Over three hundred Townships will benefit by an increase in the Provincial subsidy for roads and bridges to a uniform amount of fifty per cent. of cost.

The Minimum Wage Law for men which you have enacted is one of the most important measures for social betterment passed in recent years. It is my hope that the fullest measure of co-operation will be extended to the Government in carrying into effect the provisions of this Act, which will protect approximately 400,000 male workers in the Province. The Act will be administered by your newly constituted Industry and Labour Board.

You have protected the legal position of our great publicly-owned Hydro-Electric enterprise. The greatly improved financial standing of the Commission, the marked lowering of rates for light and power, and the vigorous extension of Hydro services to the rural sections of the Province will be received with general satisfaction.

The Amendment to the Assessment Act, designed to provide a more equitable distribution of taxes for school purposes, having failed in experience to effect the purpose for which it was intended, has consequently been repealed.

Transfer of the guardianship of the Dionne Quintuplets to the Official

Guardian for Ontario will ensure for the children that continuity of protection and direction over a period of years which the permanent Civil Service affords.

Provincial leadership in a Housing Plan will assist in the provision of much needed home accommodation, and will also furnish work to many now unemployed.

The Government's announced intention to spend over Fourteen Million Dollars for highway construction during the current year will keep Ontario in the forefront of Canadian Provinces in the provision of good roads. Increase in the number of miles of divided highways is in keeping with modern progress and will reduce the hazards of driving. The Highway Traffic Act has been amended to allow a speed of thirty miles per hour in Cities, Towns and Villages, and fifty miles per hour in open country.

The Farm Products Control Act will permit of more effective collective bargaining among the various agencies handling farm products, and should result in better prices for the producer. Legislation has also been passed to allow the Province to grade farm products.

During the past year, the Securities Commission has been active in protecting the interests of the public. Further widening of the powers of the Commission will afford greater facilities for investigation and corrective action where such is necessary.

Facilities for the establishment of a Superannuation Scheme applicable to municipal employees are provided by the Municipal Employees Pension Act.

The Iron Ore Bounty Act, providing for a bounty of Two Cents per Unit, will encourage the mining and treatment of iron ore in Ontario. Plans at present under way indicate that the industry will thus be enabled to operate on a large scale, furnishing much-needed employment to hundreds of workers.

Authority has been given for the decennial consolidation of the Statutes, which will be completed without outside assistance.

An amendment to the Corporations Tax Act sets a uniformly fair date for payment by all corporations, and eliminates the wide disparity which formerly existed. The Succession Duty Act has also been strengthened with a view to preventing evasions. The provisions of the Mortgagors' and Purchasers' Relief Act have been extended for another year.

The White Trillium has been given statutory recognition as Ontario's floral emblem.

A saving to municipalities is effected by an amendment to The Jurors Act which relieves the Petit jury panel from attendance when not actually required.

The Gold Clauses Act provides for the discharge of obligations in legal tender.

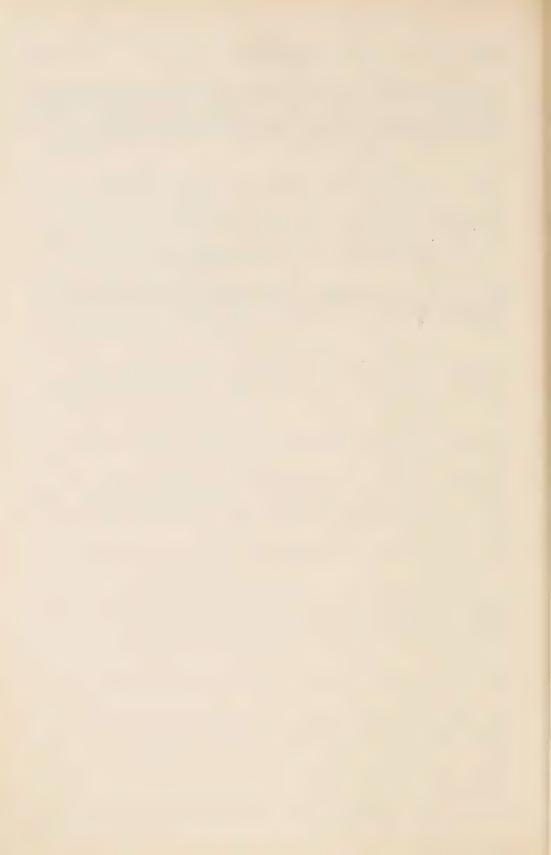
The Workmen's Compensation Act has been amended to authorize giving compensation in cases of certain additional industrial diseases.

I desire, in closing, to thank you for the way in which you have carried out your legislative duties, and for the financial provision you have made for carrying on the public services of the Province. I trust that under the blessings of Divine Providence the legislation you have enacted will further promote the well-being and happiness of the people of our Province.

The Provincial Secretary then said:-

Mr. Speaker and Gentlemen of the Legislative Assembly:—

It is the will and pleasure of The Honourable the Lieutenant-Governor that this Legislative Assembly be prorogued and this Legislative Assembly is accordingly prorogued.



## Journals of the Legislative Assembly

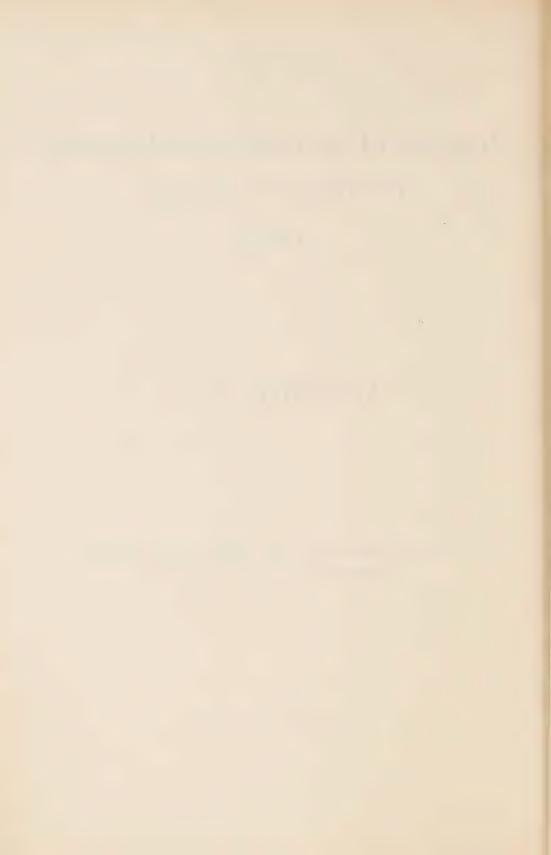
PROVINCE OF ONTARIO

1937

### APPENDIX No. 1

Report, Minutes and Proceedings of the Standing Committee on Public Accounts

Session of 1937



# Report of the Standing Committee on Public Accounts

### SESSION OF 1937

To the Honourable the Legislative Assembly of the Province of Ontario:

#### Gentlemen:

Your Committee has had produced before it documents and correspondence and heard evidence in connection with the construction of the Kenora-Fort Frances Highway and Trans-Canada Highway east of Kenora; certain items under the heading Hydro-Electric Power Commission; bonds guaranteed by the Province; public debt; repairs to certain hospitals; clearing, grading, etc., Trans-Canada Highway, between Schreiber and White River, and begs to report the evidence taken, transcript of which is hereto attached and exhibits filed.

Your Committee sat on the following dates: March 2nd, March 10th, March 12th, March 17th, March 19th, March 22nd, March 24th, and March 25th, 1937.

Your Committee examined the following witnesses: R. A. Campbell, former deputy minister of Northern Development; R. M. Smith, deputy minister of Highways; Thomas Stewart Lyon, chairman, Hydro-Electric Power Commission of Ontario; Richard Thomas Jeffrey, Chief Municipal Engineer, Hydro-Electric Power Commission; Chester S. Walters, Controller of Finance; W. J. Bishop, Dr. Bernard T. McGhie and Hon. Dr. J. A. Faulkner, Minister of Health.

All of which is respectfully submitted.

Jas. H. Clark, Chairman.

Public Accounts Committee Room, Thursday, March 25th, 1937.

### Minutes

### COMMITTEE ON PUBLIC ACCOUNTS, 1936

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 2nd, 1937.

The Select Standing Committee to whom was referred the examination of the Public Accounts for the fiscal year commencing April 1st, 1935, and ending March 31st, 1936, composed of the following members: Messrs. Hepburn, Acres, Anderson, Armstrong, Avery, Baird, Baker, Ballantyne, Belanger, Black, Blakelock, Bowerman, Bradley, Bragg, Brownridge, Campbell, Carr, Challies, Clark, Colter, Cox, Craig, Crawford, Croll, Dewan, Dickson, Duckworth, Elgie, Ellis, Faulkner, Freeborn, Fulford, Gardhouse, Glass, Gordon, Heenan, Heighington, Henry, Houck, Kelly, Kidd, Kirby, Lancaster, Lawrence, Leduc, Macaulay, Marceau, Miller, Murphy, Murray, MacBride, Macfie, McQuesten, Nesbitt, Newman, Nixon (Brant), Nixon (Temiskaming), Oliver, Patterson, Price, Roberts, Roebuck, Sangster, Schwenger, Simpson, Sinclair (Ontario), Strachan, Welsh—68, met this day for organization.

Present: Messrs. Anderson, Armstrong, Baird, Baker, Bragg, Brownridge, Campbell, Carr, Challies, Clark, Colter, Craig, Crawford, Croll, Dewan, Dickson, Duckworth, Ellis, Houck, Kelly, Kidd, Lancaster, Lawrence, Macaulay, Marceau, Nesbitt, Nixon (Brant), Nixon (Temiskaming), Patterson, Roberts, Roebuck, Schwenger.

Moved by Mr. Roebuck, seconded by Mr. Schwenger,

That Mr. J. H. Clark be appointed Chairman of the Committee. Carried.

Moved by Mr. Ellis, seconded by Mr. Challies,

That Mr. R. M. Smith, the Deputy Minister of Northern Development, and Mr. R. A. Campbell, former Deputy Minister of Northern Development, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to certain items, as under Statutory, at Page N-3 of Public Accounts, for the year ending March 31st, 1936, aggregating \$8,807,779.62 and more particularly the item at Page N-46 of the Public Accounts under contracts, "Dufferin Paving Company, clearing and grading of the Kenora-Fort Frances Highway, \$1,677,892.73, clearing and grading commencing at the junction of the Kenora-Fort Frances and Trans-Canada Highways east of Kenora, approximately 7 miles, \$14,226.50; and to produce before the committee all correspondence, offers, tenders, papers, documents, specifications, agreements, surveys, plans, profiles, progress and final certificates, inspectors' daily reports, engineers' monthly estimates, and telegrams related to the said items.

Moved by Mr. Ellis, seconded by Mr. Challies,

That Mr. T. Stewart Lyon, chairman, and Messrs. J. H. Hogg and R. T. Jeffrey, engineers of the Hydro-Electric Power Commission, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to certain items at Page 36 of Public Accounts for the year ending March 31st, 1936, under the heading Hydro-Electric Power Commission of Ontario, including item \$172,735,150.78; and at page D-6, Public Accounts for the year ending March 31st, 1935, with reference to items totalling \$4,802,130.89.

After some debate therein, Mr. Ellis amended his resolution by striking out all words commencing with: "including item \$172,735,150.78" down to "items totalling \$4,802,130.89."

The motion as amended Carried.

The Committee adjourned until 10.30 o'clock a.m. on Wednesday, March 10th, 1937.

### SECOND SITTING

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 10th, 1937.

The Committee met at 10.30 a.m.

Mr. Clark in the chair.

Present: Messrs. Acres, Anderson, Avery, Baird, Ballantyne, Black, Bradley, Bragg, Campbell, Carr, Challies, Clark, Colter, Craig, Crawford, Dewan, Dickson, Duckworth, Elgie, Ellis, Faulkner, Freeborn, Fulford, Gardhouse, Glass, Heenan, Heighington, Henry, Houck, Kelly, Kidd, Kirby, Lancaster, Lawrence, Leduc, Marceau, Murphy, Murray, Nixon (Brant), Nixon (Temiskaming), Oliver, Roebuck, Sangster, Schwenger, Simpson, Strachan.

Moved by Mr. Ellis, seconded by Mr. Craig,

That Mr. T. Stewart Lyon, Chairman of the Hydro-Electric Power Commission, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to certain items on Page 7 of Public Accounts for the year ending March 31st, 1936, under Bonds, etc., guaranteed by the Province, \$113,968,416.67.

Carried.

Moved by Mr. Ellis, seconded by Mr. Craig,

That Chester S. Walters, Deputy Provincial Treasurer, be summoned to

appear before the Public Accounts Committee at the next session thereof, to give evidence with reference to certain items on Page 33 of the Public Accounts for the year ending March 31st, 1936, namely, \$689,558,513.76; \$674,385,916.98; and \$655,760,852.70, and on Page 20, under the heading of "Public Debt" items amounting to \$110,292,220.77.

Carried.

Moved by Mr. Ellis, seconded by Mr. Craig,

That Dr. B. T. McGhie, Deputy Minister of the Department of Health, be summoned to appear before the Public Accounts Committee at the next session thereof, to give evidence with reference to certain items at the following pages of the Public Accounts for the year ending March 31st, 1936: (a) E-28, Ontario Hospital, Brockville, repairs to buildings, \$3,707.96; (2) E-30, Ontario Hospital, Cobourg, repairs to buildings, \$599.90; (3) E-34, Ontario Hospital, Hamilton, repairs to buildings, \$5,459.40; (4) E-37, Ontario Hospital, Kingston, repairs to buildings, \$3,766.08; (5) E-41, Ontario Hospital, London, repairs to buildings, \$3,045.68; (6) E-44, Ontario Hospital, New Toronto, repairs to buildings, \$1,566.91; (7) E-48, Ontario Hospital, Orillia, repairs to buildings, \$3,205.68; (8) E-51, Ontario Hospital, Penetanguishene, repairs to buildings, \$3,146.99; (9) E-54, Ontario Hospital, Toronto, repairs to buildings, \$1,935.97; (10) E-58, Ontario Hospital, Whitby, repairs to buildings, \$4,309.91; (11) E-61, Ontario Hospital, Woodstock, repairs to buildings, \$3,097.84.

Carried.

R. A. Campbell, former Deputy Minister of Northern Development, and R. M. Smith, Deputy Minister of Highways, were duly sworn and examined by Mr. Ellis and Mr. Roebuck in connection with the contract for the construction of the Kenora-Fort Frances Highway and Trans-Canada Highway east of Kenora, awarded to the Dufferin Paving Company Limited.

The Committee adjourned until 10.30 o'clock on Friday, March 12th, 1937.

### THIRD SITTING

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 12th, 1937.

The Committee met at 10.30 a.m.

Mr. Clark was in the chair.

Present: Messrs. Anderson, Armstrong, Baird, Baker, Ballantyne, Belanger, Black, Blakelock, Bowerman, Bragg, Brownridge, Campbell, Challies, Clark, Colter, Craig, Crawford, Duckworth, Elgie, Ellis, Gardhouse, Henry, Houck, Kelly, Kidd, Marceau, Oliver, Roebuck, Sangster, Schwenger, Strachan.

Mr. Thomas Stewart Lyon and Mr. Richard Thomas Jeffrey were duly sworn and examined by Mr. Ellis, Mr. Roebuck and Mr. Henry in connection with certain items at Page 36 of Public Accounts for the year ending March 31st, 1936, under the heading Hydro-Electric Power Commission of Ontario.

The Committee adjourned until 10.30 a.m., March 17th, 1937.

### FOURTH SITTING

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 17th, 1937.

The Committee met at 10.30 a.m.

Mr. Clark in the chair.

Present: Messrs. Anderson, Armstrong, Baker, Ballantyne, Belanger, Black, Bowerman, Bradley, Bragg, Campbell, Carr, Challies, Clark, Colter, Craig, Crawford, Croll, Dickson, Duckworth, Fllis, Freeborn, Fulford, Heighington, Henry, Kelly, Kidd, Kirby, Leduc, Macaulay, Marceau, Miller, Murphy, Murray, Macfie, Nesbitt, Newman, Nixon (Brant), Nixon (Temiskaming), Oliver, Patterson, Roberts, Roebuck, Sangster, Schwenger, Strachan, Welsh.

Moved by Mr. Ellis, seconded by Mr. Craig,

That Chester S. Walters, Deputy Provincial Treasurer, be summoned to appear before the Public Accounts Committee forthwith, to give evidence with reference to the item "Interim surplus \$7,347,729.73."

The motion was ruled out of order by the Chairman.

Chester S. Walters, Controller of Finance for the Province of Ontario, was duly sworn and examined upon certain matters appearing in the Public Accounts.

After considerable testimony, witness was questioned as to whether he believed calling for tenders with regard to the sale of bonds either of the Province or of the Hydro was a proper thing.

The Chairman ruled the question out of order and upon a division being called, the Chairman's ruling was upheld.

#### YEAS

Anderson, Ballantyne, Bowerman, Bradley, Bragg, Campbell, Crawford, Dickson, Freeborn, Fulford, Murray, Newman, Nixon (Temiskaming), Patterson, Roebuck, Sangster, Schwenger, Strachan—18.

#### NAYS

Black, Craig, Ellis, Henry, Kidd, Macaulay, Murphy, Nesbitt, Roberts, Welsh—10.

After further examination, Mr. Walters was questioned about the Budget.

The Chairman ruled questions upon the current Budget out of order and his ruling was upheld upon division.

YEAS

Anderson, Armstrong, Ballantyne, Bowerman, Bradley, Bragg, Campbell, Colter, Crawford, Dickson, Freeborn, Fulford, Gordon, Marceau, Newman, Nixon (Temiskaming), Patterson, Roebuck, Schwenger—19.

### NAYS

Black, Craig, Duckworth, Ellis, Heighington, Henry, Kidd, Macaulay, Murphy, Nesbitt, Oliver, Roberts—12.

Moved by Mr. Henry, seconded by Mr. Murphy,

That R. M. Smith, Deputy Minister of Northern Development, R. A. Campbell, former Deputy Minister of Northern Development, Mr. H. K. Morrison, Division Engineer, T. F. Francis, Construction Engineer, Department of Northern Development, and John M. Hill, Civil Engineer of the City of Toronto, be summoned to appear before the Public Accounts Committee at the next session thereof, to give evidence of certain items at Page N-39 of the Public Accounts for the year ending March 31st, 1936, and more particularly the item Page N-39, "Hewitson Construction Company, clearing and grading between Schreiber and White River, miles 85-108.25, \$592,117.28; cutting, burning, stumping, grubbing and grading from a point 34 miles west to 48.2 miles west of Schreiber, \$281,666.59," and to produce before the Committee all correspondence, offers, tenders, papers, documents, specifications, agreements, surveys, plans, profiles, progress reports and final certificates, inspectors' daily reports, engineers' monthly estimates, and telegrams related to the said items.

Carried.

The Committee adjourned until Friday, March 19th, 1937.

### FIFTH SITTING

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 19th, 1937.

The Committee met at 10.30 a.m.

Mr. Clark in the chair.

Present: Messrs. Acres, Anderson, Armstrong, Baird, Baker, Ballantyne, Black, Bowerman, Bragg, Campbell, Carr, Challies, Clark, Colter, Craig, Craw-

ford, Dickson, Ellis, Fulford, Gardhouse, Glass, Gordon, Heenan, Heighington, Henry, Houck, Kelly, Kidd, Kirby, Lawrence, Leduc, Macaulay, Marceau. Murphy, Murray, Macfie, McQuesten, Nesbitt, Newman, Nixon (Temiskaming), Oliver, Patterson, Roberts, Roebuck, Sangster, Schwenger, Simpson, Strachan, Welsh.

Mr. Chester S. Walters was recalled for continued examination in connection with certain matters appearing in the Public Accounts.

The Committee adjourned until 11 a.m. Monday, March 22nd, 1937.

### SIXTH SITTING

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 22nd, 1937.

The Committee met at 11 a m.

Mr. Clark in the chair.

Present: Messrs. Baird, Ballantyne, Black, Bowerman, Carr, Clark, Colter, Elgie, Fulford, Glass, Heenan, Leduc, Macaulay, Miller, Murphy, Murray, Newman, Oliver, Roberts, Roebuck, Schwenger.

R. M. Smith, Deputy Minister of Highways, was recalled and examined in respect to contract for clearing and grading of a section of the Trans-Canada Highway between Schreiber and White River, Hewitson Construction Company.

Mr. Macaulay sought to question witness in respect to expenditures by the Province after the close of the fiscal year, March 31st, 1936.

Upon objection by Mr. Roebuck, the Chairman ruled the question out of order.

The Chairman's ruling was upheld upon division.

#### YEAS

Ballantyne, Bowerman, Carr, Colter, Fulford, Heenan, Murray, Newman, Oliver, Roebuck, Schwenger—11.

### NAYS

Macaulay, Murphy—2.

Mr. R. M. Smith, W. J. Bishop, Robert A. Campbell, were duly sworn and examined in respect to the contract for clearing and grading of a section of the Trans-Canada Highway between Schreiber and White River, Hewitson Construction Company.

The Committee adjourned sine die.

#### SEVENTH SITTING

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 24th, 1937.

The Committee met at 10 a.m.

Mr. Clark in the chair.

Present: Messrs. Armstrong, Baker, Blakelock, Bowerman, Bragg, Challies, Clark, Colter, Craig, Crawford, Croll, Duckworth, Elgie, Ellis, Faulkner, Freeborn, Fulford, Henry, Houck, Kidd, Lancaster, Marceau, Murphy, MacBride, Macfie, Nesbitt, Newman, Nixon (Temiskaming), Roberts, Roebuck, Schwenger, Welsh.

Moved by Mr. Ellis, seconded by Mr. Craig,

That the Honourable Mr. Hepburn, Messrs. J. J. Glass, E. G. Odette, B. Dennis, Walter Osborne and Nina Osborne be summoned to appear before the Public Accounts Committee on March 24th at 10 a.m., to give evidence relating to improper interference with the administration of the Liquor Control Act, and that this Committee continue to sit after prorogation of the House, if necessary.

After discussion, the motion was amended with Mr. Ellis and his seconder's consent to read,

That the Honourable Mr. Hepburn, J. J. Glass, E. G. Odette, Walter Osborne, Nina Osborne, B. Dennis and Arnold Smith be summoned to appear before the Public Accounts Committee and to give evidence relating to items on Page 18 of the Public Accounts for the fiscal year ending March 31st, 1936, under the heading Liquor Control Board, Profits, Fines, Licenses, etc., \$8,010,000.00.

The motion as amended Carried.

Dr. Bernard T. McGhie, Deputy Minister of Health, was sworn and duly examined in respect to certain items appearing in the Public Accounts in respect to Ontario Hospitals.

The Committee adjourned until 10 a.m. Thursday, March 25th, 1937.

### EIGHTH SITTING

Public Accounts Committee Room,
Parliament Buildings,
Toronto, March 25th, 1937.

The Committee met at 10 a.m.

Moved by Mr. Roebuck, seconded by Mr. MacBride,

That in the absence of Mr. Clark, Mr. Colter take the chair.

Carried.

Present: Messrs. Anderson, Baker, Ballantyne, Black, Blakelock, Bragg, Brownridge, Colter, Craig, Crawford, Croll, Dickson, Duckworth, Ellis, Faulkner, Fulford, Gardhouse, Henry, Kidd, Marceau, MacBride, Nesbitt, Nixon (Brant), Oliver, Roberts, Roebuck, Sangster, Welsh.

Hon. Dr. J. A. Faulkner, Minister of Health, was sworn and duly examined in respect to certain items appearing in the Public Accounts in respect to Ontario Hospitals.

Dr. B. T. McGhie, Deputy Minister of Health, was recalled and examined in respect to certain items appearing in the Public Accounts in respect to Ontario Hospitals.

Moved by Mr. Roebuck, seconded by Mr. MacBride,

That the Chairman and Secretary prepare a report of the matters brought before the Public Accounts Committee for presentation to the Legislative Assembly of the Province of Ontario. Carried.

The Committee then adjourned for the session.

### Proceedings

### STANDING COMMITTEE ON PUBLIC ACCOUNTS

Parliament Buildings, Toronto, March 2nd, 1937, at 10.30 a.m.

Major J. H. Clark (Chairman): Gentlemen, will you please come to order. The Secretary will call the roll.

The Secretary called the roll of members.

THE CHAIRMAN: Gentlemen, is there anything to be brought before the Public Accounts Committee this morning?

HON. Mr. CROLL: Mr. Chairman, I understand that the Hon. Mr. Henry is sick.

Mr. Baird: Mr. Chairman, I think Mr. Macaulay, who is in the building, had something to bring before the Committee. I came in with him a few moments ago. The Hon. Mr. Henry, who is in charge, is sick.

THE CHAIRMAN: With influenza?

MR. BAIRD: I think so. He was not in the House yesterday.

THE CHAIRMAN: Has the honourable member for South York anything to bring before the Committee?

We have been waiting, as we understood that you, Mr. Ellis, had something to bring before the meeting.

Mr. Ellis: Mr. Chairman, I move, seconded by the Hon. Mr. Challies:-

That Mr. R. M. Smith, the Deputy Minister of Northern Development, and Mr. R. A. Campbell, former Deputy Minister of Northern Development, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to certain items, as under Statutory, at page N-3 of Public Accounts, for the year ending March 31st, 1936, aggregating \$8,807,779.62, and more particularly the item at page N-46 of the Public Accounts under Contracts, "Dufferin Paving Company," clearing and grading of the Kenora–Fort Frances Highway \$1,677,892.73, clearing and grading commencing at the junction of the Kenora–Fort Frances and Trans-Canada highways east of Kenora, approximately seven miles, \$14,226.50; and to produce before the Committee all the correspondence, offers, tenders, papers, documents, specifications, agreements, surveys, plans, profiles, progress and final certificates, inspectors' daily reports, engineers' monthly estimates, and telegrams related to the said items.

THE CHAIRMAN: You have heard the motion, gentlemen; is there any discussion?

Is it the pleasure of the Committee that this motion carry? (Carried.)

Mr. Ellis: If I may have just a moment, Mr. Chairman, to check up on this next item. I have been laid up with the flu and have not had a chance to check up on things. I move, seconded by the Hon. Mr. Challies:—

That Mr. T. Stewart Lyon, Chairman, and Messrs. J. H. Hogg and R. T. Jeffery, engineers of the Hydro-Electric Power Commission, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to certain items at page 36 of Public Accounts for the year ending March 31st, 1936, under the heading Hydro-Electric Power Commission of Ontario, including item \$172,735,150.78; and at page D-6, Public Accounts for the year ending March 31st, 1935, with reference to items totalling \$4,802,130.89.

THE CHAIRMAN: You have heard the motion, gentlemen; is there any discussion?

Hon. Mr. Nixon: Do I understand that it is proposed to go back to the 1935 accounts?

Mr. Ellis: Yes.

Hon. Mr. Nixon: That is an unusual procedure.

MR. ELLIS: Is there any precedent by which we should not?

HON. MR. ROEBUCK: Is there any power by which we can?

Hon. Mr. Nixon: I do not think we can go back to the 1935 Public Accounts unless this Committee is instructed to do so by the House. In fact, I do not think we have any power to do so.

My recollection of the matter is that we cannot go back over the accounts of previous years without instructions from the House. If you are going to open that up you might as well go back to 1932, 1930 or 1924 for that matter, and there would be no finality to the deliberations of this Committee.

Mr. Ellis: Mr. Chairman, may I submit that, as far as I know, there are no public accounts of any kind before the House at the present time.

I do not know what objection there is on the part of the Government to any investigation pertaining to any year since you attained office. If you have some reasons for objecting—.

HON. MR. NIXON: Have you any reasons for proposing that we should?

Mr. Ellis: I very decidedly have, and those reasons will be disclosed during the investigation. After hearing what is proposed under this second

motion, if the Committee should then come to the conclusion that the matter should not be investigated, the Committee will be in a position to act accordingly. At the present moment I naturally do not propose to tell the Committee what I have particularly in mind, but surely, as representatives of the people, whether Conservatives or Liberals, there cannot be any objection to such an investigation. Why should you not provide the public with all the information they desire? You should rather take the position, I may say, Mr. Nixon, of being glad that full light should be thrown upon any item in the Public Accounts from the day that your Government assumed office. I am not suggesting that we go back to any time prior to that.

If there is anything you want to investigate as far as the Conservative Government is concerned, I for one will say, by all means, go ahead. If there is anything that should be disclosed that happened during the Conservative regime, as far as I am concerned, as a Conservative, I say, by all means, go ahead and investigate it, for the Conservatives have nothing to hide, and they should welcome an investigation. If they have something to hide then it should be given the light of day, and that is what I suggest should be done with regard to this particular motion.

There is no rule in the Legislature prohibiting an investigation into matters which occurred two or three years back. I submit that this motion should be passed, and I again repeat to the Committee that if you come to the conclusion that the motion was not justified—and I guarantee that you will come to the conclusion that it is justified—that will be another matter. Nothing has come out about the item to which I referred, in 1935, and I may say to the Hon. Mr. Nixon that the first item deals with the 1936 accounts.

Hon. Mr. Nixon: There is no objection to that.

Mr. Ellis: What objection have you to an item in 1935, unless you are worried?

Hon. Mr. Nixon: Oh, no.

MR. Ellis: Then, if you are not worried, why not let it go?

Hon. Mr. Nixon: Mr. Chairman, Mr. Ellis says that as far as he knows there are no Public Accounts before the House.

As a matter of fact, the Public Accounts for the fiscal year ending 31st March, 1936, were presented to the House at the very first day of this session. Those are before the House and are a proper subject for investigation by this Committee. This Committee sat for many days last year dealing with the Public Accounts of 1935, and that is the reason why we should not reopen the question again this year.

As far as I know, there is nothing that we want to hide in any case, but I do submit that it is not in accordance with the well established procedure of this Committee to go back to the 1935 accounts regarding which we met for many days last year when they were properly under review. I repeat that it would not be proper to reopen that question this year. There cannot be the

slightest objection to the 1936 accounts which are before the House, having been tabled and having been placed in the hands of every member many months ago for the fullest investigation.

I submit that without direction from the House it would not be proper for us to go back into the 1935 accounts.

HON. MR. ROEBUCK: Mr. Chairman, may I say something regarding this matter? It is all very fine to make a political speech and to cast insinuations that somebody is afraid to let the light in; that is fairly good political warfare, but it does not get us anywhere.

My friends were in power at one time and they lived by the rules, as we must all live by the rules. It is not a case of whether this Committee wants to investigate accounts previous to 1936, it is a question as to whether the Committee has the authority and power to do so. In the first place, witnesses have to be subpoenaed and you must then carry on under the authority granted to us by the House; otherwise we are just a collection of private individuals sitting in a room. We have only the authority which comes to us from the House.

I think my friend had better think over this matter. If he wants to go into the 1935 accounts on some particular subject, I do not think he will have any trouble in doing so, but he must follow the proper procedure and must clothe this Committee with the authority to make that investigation. My friend knows the procedure. He goes to the House, he tells the House what he wants to investigate and the reason why. If the House then thinks that this Committee should go into it, they do so; if they do not, they do not deal with it. We have no authority to investigate the accounts of 1935.

MR. MACAULAY: We did it last year.

HON. MR. ROEBUCK: By resolution passed in the House that we investigate the accounts for certain years, and we did it. I am speaking for myself, but I do not anticipate any objection being raised in the House to this proposal, but you see the position we are in? If we proceeded in a way contrary to the constitutional usage and proper procedure of the House with regard to the particular item in 1935, where would we stop? Do we, as Mr. Ellis suggested, have to investigate the Conservative regime as well? Do we go back to the Whitney, the Ross or the Drury regime? There would be no end to it.

Mr. Macaulay: You went back to 1923 last year.

HON. MR. ROEBUCK: We did it by resolution in the House.

Mr. Macaulay: Because you wanted to do it.

HON. MR. ROEBUCK: No, because the House directed us, and may do it again, but we will do it in the proper way if we do it at all.

I think my friend should hold this resolution over until he has had time to think it over, and bring it back at the next sitting of the Committee if he really

wishes it to be considered; in the meantime, while none of us has reviewed the rules and the legal situation, I do not think he should press it on us. I think when he comes to look into it he will take the resolution in the proper way to the House.

I suggest that in the meantime we go on, Mr. Chairman, with the one pertaining to 1936.

MR. MURRAY: Mr. Chairman, when I was a member of the Opposition not so many years ago a resolution similar to this was introduced and they got no hearing at all; they were only allowed to go back one year. I do not know whether you keep a record of those things.

HON. MR. ROEBUCK: No.

THE CHAIRMAN: My opinion is that our power is limited strictly to 1936. Without direction from the House I do not know that we would have any authority to subpoena witnesses regarding the accounts of 1935.

Mr. Ellis: I have a full realization, of course, that in view of the personnel of the Committee, if the Government preferred not to go into 1935, my chances of getting them to go into items of the 1935 Public Accounts in this Committee are obviously not very good.

HON. MR. ROEBUCK: Mr. Chairman, that is absolutely unfair, and moreover prejudicing the position of those who are to be investigated. My friend has no reason to say that anybody is being protected.

Mr. Ellis: I did not say anything of the kind.

HON. MR. ROEBUCK: You are suggesting that.

Mr. Ellis: I am not suggesting that anybody, or any official of the Government, should be protected at all.

However, in view of the attitude of the Committee I will strike out from this resolution all the words after the sum mentioned, namely, \$172,735,150.78.

THE CHAIRMAN: I think, Mr. Ellis, that if you explained to the House the reason why you wanted it, and gave the House any good reason, the House would accommodate you.

Hon. Mr. Roebuck: There can be no objection to that. Let me read the resolution as I understand Mr. Ellis desires it to appear:

"That Mr. T. Stewart Lyon, Chairman, and Messrs. J. H. Hogg and R. T. Jeffery, engineers of the Hydro-Electric Power Commission, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to certain items at page 36 of Public Accounts for the year ending March 31st, 1936, under the heading Hydro-Electric Power Commission of Ontario."

And then all after that is struck out. That is confined to 1936, and the words struck out are these, as I get Mr. Ellis's statement. These are the words struck out:

"including item \$172,735,150.78, and at page D-6 of Public Accounts for the year ending March 31st, 1935, with reference to items totalling \$4,802,130.89."

THE CHAIRMAN: You have heard the motion, gentlemen. (Carried.)

MR. Ellis: When will the next session of the Committee be held?

THE CHAIRMAN: That can be discussed right now if there are no furthe resolutions.

MR. ELLIS: When is the Budget being introduced?

THE CHAIRMAN: A week from to-day, March 9th.

Mr. Ellis: Tuesday would be satisfactory. I have to speak on the Budget myself, so that would be all right so far as I personally am concerned.

THE CHAIRMAN: Does that meet with the pleasure of the Committee, a week from to-day?

MR. BAIRD: Will that conflict with any of the committees?

HON. MR. CROLL: The other committees are not formed yet.

HON. Mr. NIXON: I do not think it would be advisable to hold it on the date the Budget is being brought down. Would Wednesday suit my friend?

MR. ELLIS: I am following the Prime Minister, so I would like to be free.

HON. Mr. ROEBUCK: Mr. Chairman, I move that we meet on Wednesday of next week.

Mr. Carr: I will second that motion.

THE CHAIRMAN: Is that satisfactory to the Committee? (Carried.)

Whereupon the Committee adjourned at 11.10 o'clock a.m. until 10.30 o'clock a.m. on Wednesday, March 10th, 1937.

## SECOND SITTING

Parliament Buildings, Toronto, March 10th, 1937, at 10.30 a.m.

THE CHAIRMAN: If you will come to order, gentlemen, the Secretary will call the roll.

The Secretary called the roll of members.

THE CHAIRMAN: Have you anything to present, Mr. Ellis?

Mr. Ellis: Mr. Chairman, I beg leave to move, seconded by Mr. Craig:-

That Mr. T. Stewart Lyon, Chairman of the Hydro-Electric Power Commission, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to a certain item on page 7 of Public Accounts for the year ending March 31st, 1936, under Bonds, etc., guaranteed by the Province, \$113,968,416.67.

THE CHAIRMAN: You have heard the motion, gentlemen; what is your pleasure? (Carried.)

MR. Ellis: Mr. Chairman, I beg to leave move, seconded by Mr. Craig:-

That Chester S. Walters, Deputy Provincial Treasurer, be summoned to appear before the Public Accounts Committee at the next session thereof, to give evidence with reference to certain items on page 33 of the Public Accounts for the year ending March 31st, 1936, namely, \$689,558,513.76, \$674,385,916.98, and \$655,760,852.70, and on page 20, under the heading of "Public Debt", items amounting to \$110,292,220.77.

THE CHAIRMAN: You have heard the motion, gentlemen; what is your pleasure? (Carried.)

Mr. Ellis: Mr. Chairman, I beg leave to move, seconded by Mr. Craig:-

That Dr. B. T. McGhie, Deputy Minister of the Department of Health, be summoned to appear before the Public Accounts Committee, at the next session thereof, to give evidence with reference to certain items at the following pages of the Public Accounts for the year ending March 31st, 1936:—

- (1) E-28, Ontario Hospital, Brockville, repairs to buildings, \$3,707.96.
- (2) E-30, Ontario Hospital, Cobourg, repairs to buildings, \$599.90.
- (3) E-34, Ontario Hospital, Hamilton, repairs to buildings, \$5,459.40.
- (4) E-37, Ontario Hospital, Kingston, repairs to buildings, \$3,766.08.
- (5) E-41, Ontario Hospital, London, repairs to buildings, \$3,045.68.
- (6) E-44, Ontario Hospital, New Toronto, repairs to buildings, \$1,566.91.
- (7) E-48, Ontario Hospital, Orillia, repairs to buildings, \$3,205.68.
- (8) E-51, Ontario Hospital, Penetanguishene, repairs to buildings, \$3,146.99.
- (9) E-54, Ontario Hospital, Toronto, repairs to buildings, \$1,935.97.

- (10) E-58, Ontario Hospital, Whitby, repairs to buildings, \$4,309.91.
- (11) E-61, Ontario Hospital, Woodstock, repairs to buildings, \$3,097.84.

Those are all the motions for this morning, gentlemen.

THE CHAIRMAN: You have heard the motion, gentlemen, what is your pleasure? (Carried.)

Mr. Schwenger: Have you extra copies of those resolutions, Mr. Ellis?

MR. ELLIS: Yes. I am giving them to the Press, and no doubt they will give them to you.

If it is agreeable to you, I am now ready to proceed with the inquiry into the Dufferin Paving Company, Limited.

Mr. Chairman, before proceeding to examine Mr. Campbell, who has been summoned to appear before the Public Accounts Committee, I would remind the members of the Committee that last year the contract granted by the Department of Northern Development to the Dufferin Paving Company, Limited, in connection with a portion of the highway between Kenora and Fort Frances was investigated by this Committee. You will remember that the Committee sat from the 26th of March until the 8th of April. The tenders, you will remember, were called for in October, 1934, and were opened on the 16th of October, 1934.

The lowest tenderer was the Dufferin Paving Company, Limited, and the contract for 35 miles of highway—and I emphasize the 35 miles of highway—was granted to this particular company for \$689,296.02. I repeat that that contract was for 35 miles of highway only. As a result of the investigation it was ascertained that the Department of Northern Development, without calling for public tenders of any kind whatsoever, granted a further contract to this company for some seven miles of highway.

THE CHAIRMAN: Mr. Ellis, what is the purpose of this? We have all that evidence. Is there any object?

MR. ELLIS: You may know or remember what the evidence was, but I am not so sure that all the members of the Committee will remember the figures. I might say perfectly candidly, Mr. Chairman, that I did not remember them myself until I looked them up, and I think that possibly there may be some members to-day who are in the same position that I was in. There will be no harm done, and I will finish in a moment.

THE CHAIRMAN: All right.

Mr. Ellis: Subsequently, and again without calling for tenders, an additional extension of 5.18 miles was granted to the same company, and the contract was entered into privately between the Department and the company.

Finally a further extension of three miles was granted to the same company without calling for tenders.

And so we find that an original contract let for 35 miles of highway had extensions to it amounting to 15.8 miles, which additions or extensions were granted to this particular company without tenders of any kind, or without giving any other contractor an opportunity to submit a price.

Hon. Mr. Roebuck: Mr. Chairman, that is completely inaccurately stated. Tenders were called for. It is true that a 35-mile section was granted in the first instance, but the tenders were not called specially for that 35 miles. They were called on certain quantities that may have had some application to that 35 miles but which were equally applicable to any other mileage in the neighbourhood. And the tenders that were given were unit tenders. The prices that were quoted were on a unit basis and applied equally to the further extensions as they did to the original contract. So it is quite inaccurate to say that they were let without calling for tenders.

THE CHAIRMAN: That is why I interrupted Mr. Ellis a moment ago.

Mr. Ellis: I have no particular desire to get into a controversy with the Attorney-General, but I flatly disagree with him. The tender form is there and can be seen.

THE CHAIRMAN: Mr. Ellis.

MR. Ellis: It is there as an exhibit.

THE CHAIRMAN: Please, please, Mr. Ellis.

Mr. Strachan: Mr. Ellis is now giving evidence.

Mr. Ellis: It is the Attorney-General who is giving the evidence. Let us produce the original tender. It is there, and I demand that it be produced now to see whether the Attorney-General is right or whether I am right.

Mr. Colter: It was produced last year.

MR. Ellis: It was made an exhibit last year. Let me see it.

The Chairman: That is why I interrupted Mr. Ellis when he was making a résumé of what took place before this Committee last year. I knew it would immediately provoke remarks, and I could see nothing to be gained, because that was all threshed out before this Committee last year.

The members of the Committee are entitled to draw any inference they like from the evidence adduced last year, but I cannot see any purpose in going over what took place last year.

I will have to ask that any new matters which it is proposed should be adduced, as mentioned in the resolution we have now before us, be proceeded with at once.

Mr. Strachan: All this is being read into the record, Mr. Chairman.

HON. Mr. ROEBUCK: I think it should be expunged from the record, Mr. Chairman.

THE CHAIRMAN: It was given great publicity last year.

HON. Mr. ROEBUCK: And that is the purpose of it now.

Mr. Ellis: It is no such thing. That may be your view; not mine.

I will call Mr. Campbell and ask him to produce the original tender of the Dufferin Paving Company, Limited.

THE CHAIRMAN: What does the resolution say?

HON. Mr. ROEBUCK: Mr. Chairman, if this evidence of Mr. Ellis is to stand—

THE CHAIRMAN: Not evidence, statements.

HON. MR. ROEBUCK: It is going down as evidence, and that is why I was sarcastic in calling it evidence.

THE CHAIRMAN: You do not refer to counsel's remarks to a jury as evidence.

HON. Mr. ROEBUCK: I want to point out that the tender was not for a stated amount, nor was the contract awarded for a stated amount, as was mentioned by Mr. Ellis. That figure was what was calculated at the end of the contract. It makes a difference.

I object to calling Mr. Smith to prove whether Mr. Ellis was right or not, with regard to something that took place last year.

THE CHAIRMAN: What is the resolution we are now dealing with?

HON. MR. ROEBUCK: It reads:—

"That Mr. R. M. Smith, the Deputy Minister of Northern Development, and Mr. R. A. Campbell, former Deputy Minister of Northern Development, be summoned to appear before the Public Accounts Committee at the next session thereof to give evidence with reference to certain items, as under Statutory, at page N-3 of Public Accounts, for the year ending March 31st, 1936, aggregating \$8,807,779.62, and more particularly the item at page N-46 of the Public Accounts under Contracts, 'Dufferin Paving Company,' clearing and grading of the Kenora-Fort Frances Highway \$1,677,892.73, clearing and grading commencing at the junction of the Kenora-Fort Frances and Trans-Canada highways east of Kenora, approximately seven miles, \$14,226.50; and to produce before the Committee all the correspondence, offers, tenders, papers, documents, specifications, agreements, surveys, plans, profiles, progress and final certificates, inspectors' daily reports, engineers' monthly estimates, and telegrams related to the said items."

THE CHAIRMAN: Then those are the only things upon which we can have evidence.

Mr. Ellis: I will call Mr. Campbell.

## R. A. CAMPBELL, called. Examined by Mr. Ellis:

Q. Mr. Campbell, have you got the original tender of the Dufferin Paving Company, Limited?

A. Yes, I believe I have it.

HON. Mr. ROEBUCK: To what are we directing our attention now?

Mr. Ellis: To ascertaining whether your statement is correct or mine.

HON. Mr. ROEBUCK: We are not interested in your statement or my statement.

Mr. Ellis: If you will pardon me, I think the public of Ontario are very much interested as to whether your statement of the facts is correct or whether my statement is correct. I am merely suggesting that the former Deputy Minister of the Department of Northern Development say whether or not the contract granted to the Dufferin Paving Company, Limited, covered 35 miles of highway, or not.

THE CHAIRMAN: I am ruling that the question is absolutely improper. We had all that last year and I certainly do not intend to go into it again this year.

Mr. Ellis: Then do I understand that you refuse point blank to have it ascertained as a fact whether the Attorney-General is right in what he says or whether I am right in what I say?

THE CHAIRMAN: I absolutely do, because your remarks were out of order and provoked a reply by the Attorney-General and have nothing to do with the items we are now dealing with in this Committee. If we go into that we will be here until this time next year.

The ruling is that the question is not evidence.

Mr. Heighington: Before you make a ruling, Mr. Chairman, may I make a statement?

THE CHAIRMAN: Yes.

Mr. Heighington: In proceedings of this kind by a Committee of this nature we are performing both a parliamentary and a judicial function, and I think more latitude should be given to counsel before starting to examine witnesses after the expiration of a whole year or two years in order to refresh the

minds of the members of the Committee. It is like the opening remarks of counsel at a jury trial.

HON. MR. ROEBUCK: It sounded like it.

Mr. Ellis: And so did your remarks.

MR. HEIGHINGTON: A jury is different, no doubt, but there is nothing to prevent the Attorney-General from replying if he sees fit at the proper time.

Personally, Mr. Chairman, I think that the contract was for 35 miles, and tenders were let for it, and then afterwards extensions of various mileages were given.

THE CHAIRMAN: With all deference to you, Mr. Heighington, if you will refer to the Journals of last year, or any member of this Committee, you will be able to get the answer for yourself. It is true that some people may express a different opinion regarding the evidence adduced, but it is all in the Journals of last year's proceedings.

MR. HEIGHINGTON: I think we might allow some latitude.

THE CHAIRMAN: We have wasted almost twenty-five minutes since Mr. Ellis began on what he thought was the effect of the evidence given last year. His remarks immediately provoked a reply by the Attorney-General.

I remember the evidence last year. We sat here day after day, and I have a perfectly clear recollection, and have no doubt that every member of the Committee has just as clear a recollection as I have of that evidence.

Any member of the Committee can take the Journals of last year and read every word of the evidence that was given in connection with that contract almost *ab initio*.

MR. Ellis: Then if your recollection is perfectly clear, will you tell the Committee who is right?

THE CHAIRMAN: I certainly will not.

MR. Ellis: Then the rules of the House should apply here. What I said as a fact has been challenged by the Attorney-General. Surely I have the privilege of ascertaining who is right or who is wrong. Now state who is right.

THE CHAIRMAN: My ruling is that your remarks were perfectly irrelevant and that the Attorney-General was quite in order in replying to them because he had a different idea of the effect of the evidence given last year. I cannot see that your remarks were in order at all. They have nothing to do with the resolution with which we are dealing.

MR. HEIGHINGTON: We can produce the contract and look at it again.

HON. MR. ROEBUCK: In its relevant place.

MR. Ellis: Last year before this Committee you stated that the contract ran on for—

Hon. Mr. Roebuck: I object.

Mr. Ellis: —a much more extended period than is covered.

MR. HEIGHINGTON: Is the witness sworn?

-Witness sworn.

MR. Ellis: Mr. Chairman, you can interrupt me if you do not think my questions are in order, and I will naturally have to bow to your ruling.

Q. How many miles did the original contract to the Dufferin Paving Company cover?

THE CHAIRMAN: That was all given before the Committee last year, Mr. Ellis. How is that pertinent to this resolution? Does that item cover it?

Mr. Ellis: Yes.

HON. MR. ROEBUCK: No. Why make a dog-fight out of what is a very simple piece of work? We have before us a resolution, and it says:

''. . . at page N-3 of Public Accounts for the year ending March 31st, 1936, aggregating \$8,807,779.62."

That is what we are investigating. I am not desirous of blocking the examination of what is before us, if my friend will proceed decently in the matter.

For instance, the contract that was let in the first instance was extended, as I understand it, to cover the items represented by this \$8,000,000. Now to that extent it is relevant to this inquiry, and I will have no objection to your producing it in that way.

MR. ELLIS: Producing the original tender?

HON. Mr. ROEBUCK: Let us proceed with this as lawyers.

Mr. Ellis: Have you any objection to my producing the original tender?

Hon. Mr. Roebuck: Not if you point out in a specific way what we are doing. That is why I asked what you proposed to inquire into. You have several items in your resolution. You have one item on page N-3, and you have another item of \$1,677,892.73. First, what is it you are going into, and we will go into it?

Mr. Ellis: Q. Mr. Campbell, you were formerly the Deputy Minister of the Department of Northern Development?

A. Yes.

- Q. Are you at present the Deputy Minister of the Department of Northern Development?
  - A. No.
  - Q. What is your present position?
  - A. Supervisor of Forest operations in the Department of Lands and Forests.
- Q. When did you cease to be the Deputy Minister of the Department of Northern Development?
  - A. About the middle of May, 1936.
- Q. Were any other officials of the Department of Northern Development relieved of their duties subsequent to the inquiry before the Public Accounts Committee of last year?

HON. MR. ROEBUCK: How is that relevant to this inquiry?

MR. Ellis: I think it is very relevant, indeed. I want to know what the situation is with regard to the officials, because there may be some of them that I may want to summons, and I want to know where they are and their positions.

HON. MR. ROEBUCK: You may ask that question of anyone.

Mr. Ellis: Q. Can you answer my question, Mr. Campbell?

HON. Mr. ROEBUCK: I object to his answering a question of that kind. It has nothing to do with this inquiry. The Department of Northern Development was transferred, as we all know, to the Department of Highways.

MR. Ellis: Yes. Well, then, is there any objection to my finding out whether or not any officials of the Department were relieved of their duties?

THE CHAIRMAN: How does that come under the item we are discussing?

Mr. Ellis: How can we know, Mr. Chairman, until we get into the investigation and find out what officials were let out and the reasons why they were let out.

HON. Mr. ROEBUCK: I submit that the first thing to do is to go into the substance of the matters before us, then if it is found that someone is required to give evidence it will be time enough then to call him.

THE CHAIRMAN: I do not want to limit you in any way, Mr. Ellis. I want to be absolutely fair. I want to give you a wide scope, but this is a semi-judicial proceeding and we are bound more or less, though not rigidly, by the rules of evidence. We have to have something that is pertinent to the matter under discussion. However, I will give you some leeway.

MR. Ellis: Do you allow that question?

THE CHAIRMAN: Yes.

HON. Mr. ROEBUCK: Subject to the objection.

Mr. Ellis: Q. What officials of the Department of Northern Development were relieved of their duties subsequent to the investigation of the Dufferin Company, Limited, contract before the Public Accounts Committee last year?

HON. Mr. ROEBUCK: That is a most unfair question.

Mr. Colter: "Relieved of their duties"—I do not think that is a fair question at all, Mr. Chairman. It is a reflection.

MR. Ellis: Would you kindly suggest the words that you think I should use, Mr. Colter? If you object to those words, suggest others to me.

Mr. Colter: Go on and ask your question, but ask it properly; do not cast reflections on someone who should not have reflections cast upon him.

MR. Ellis: Q. What changes were made in the staff of the-

Mr. Colter: That is better.

Mr. Ellis: Q. —of the Department of Northern Development since the investigation last year?

Mr. Schwenger: The Department of Northern Development has been wiped out.

Mr. Ellis: I want to know what changes have been made in the staff.

Mr. Schwenger: But the Department has been wiped out.

MR. Ellis: The witness can answer the question.

WITNESS: I am not in a position to answer your question.

Q. Why not?

A. Because I do not know what has occurred in the Department of Northern Development since I left it.

Q. Do you know of your own knowledge as to whether all the officials who were in the Department of Northern Development prior to this investigation are still in the employ of that Department or any other department?

Mr. Schwenger: There is no Department of Northern Development.

Mr. Ellis: Oh, yes there is.

HON. MR. ROEBUCK: The Department of Northern Development was transferred to the Department of Highways.

WITNESS: I know of one or two.

Mr. Ellis: Q. Let us have their names and their positions.

- A. Mr. A. M. Hudson.
- O. What was his position in the Department of Northern Development?
- A. Engineer of Equipment and Supplies.
- Q. Is he still in the employ of the Department?
- A. Not so far as I know.
- Q. Is he in the employ of any Department of the Provincial Government?
- A. Not so far as I know.
- Q. Are there any other officials that were with the Department of Northern Development prior to the inquiry and who are not there now?
  - A. Mr. C. H. Meader.
- Q. What position did he hold with the Department of Northern Development?
  - A. Assistant Chief Engineer.
  - Q. Is he employed by the Provincial Government in any capacity to-day?
  - A. Mr. Meader is deceased.
  - Q. When did he die?

THE CHAIRMAN: What difference does that make?

WITNESS: I cannot give you the specific date, but I think it was in the fall.

- MR. Ellis: Q. Was he in the employ of the Provincial Government in any capacity as the time of his death?
  - A. As far as I know there had been no change made.
- Q. He was still employed by the Provincial Government at the time of his death, is that correct?
  - A. As far as I know.
  - Q. In what capacity?
  - A. I do not know, definitely.

- Q. Was he with the Department of Northern Development as Assistant Chief Engineer?
  - A. That I cannot say.

HON. MR. ROEBUCK: Mr. Chairman, I am not going to sit here without protest and allow these little aspersions cast with regard to a man who is deceased and who was here defending himself last year but cannot defend himself this year.

Mr. Ellis: I am rather inclined to agree with the high moral plane that the Attorney-General takes and will not ask any further questions about Mr. Meader.

- Q. Are there any other officials who were with the Department of Northern Development prior to the inquiry who are not now in the employ of the Department?
  - A. Mr. W. L. Lawer.
- Q. What position did he hold with the Department of Northern Development?
  - A. He was the accountant.
  - Q. Is he in the employ of the Provincial Government now?
  - A. Not to my knowledge.
  - Q. When did he cease his duties?
- A. I believe he was superannuated about the first of May. Of that, I have no definite knowledge.
- Q. Are there any other officials that were with the Department and are not now with the Department?
  - A. I am sure I couldn't say.
  - Q. You either know or you do not know.

THE CHAIRMAN: He said he does not know.

WITNESS: I have no connection with the Department of Northern Development at the present time. I do not know just what they are doing.

MR. Ellis: Q. You have no knowledge of any others?

- A. Not offhand.
- Q. Have there been any extensions of the original contract granted to the Dufferin Paving Company, Limited—.

- Mr. Schwenger: You went into all that last year.
- Mr. Ellis: —since the inquiry of last year?
- A. Not to my knowledge until the time I left the Department.
- Q. I am not quite clear as to what you mean.
- A. I know of nothing that has happened in the Department since I finished with it last year.
- Q. Am I to assume that since you left the Department—I believe it was in May, 1936,—you have had nothing to do with this particular contract?
  - A. No, I have had nothing to do with that particular contract.
  - Q. Who is now looking after this contract?
  - A. The Department of Highways.
  - Q. I assume Mr. R. M. Smith, the Deputy, is looking after it?
  - A. I can only presume that.
- Q. Between the closing of the inquiry and the time you ceased to be the Deputy Minister of the Department of Northern Development were any further contracts or extensions of the highway granted to the Dufferin Paving Company, Limited?
  - A. Not to my knowledge.
- Q. Now the investigation covered an item of \$1,677,892.73, clearing and grading, commencing at the junction of the Kenora-Fort Frances and Trans-Canada highways east of Kenora. What portion of that sum, if any, was expended from the time of the investigation up to the time you ceased to be the Deputy Minister of the Department?
  - HON. MR. ROEBUCK: To be accurate, up to the 31st of March.
  - Mr. Schwenger: The accounts close on the 31st of March, Mr. Ellis.
  - MR. Ellis: That is correct.
- Mr. Chairman, I would like your ruling on it. Am I to be restricted to asking questions up to the time that this official ceased to hold his position, or am I limited to asking questions prior to March 31st, 1936?
  - THE CHAIRMAN: You mean subsequent to March?
  - MR. SCHWENGER: The end of the fiscal year.

THE CHAIRMAN: Yes, the end of the fiscal year. We are not going to hold you down, Mr. Ellis, if it is relevant.

MR. ELLIS: If I am prohibited from asking questions which might bring this inquiry to an end it will merely result in another inquiry next year.

HON. MR. ROEBUCK: I do not expect—.

Mr. Ellis: If you will pardon me, Mr. Attorney-General, what you expect and what I expect are matters, thank goodness, of no importance.

Q. Can you answer my question, witness?

THE CHAIRMAN: Is there any objection to inquiring from the witness what he knows about the item with which we are dealing? It is quite clearly stated in the resolution:—

"Dufferin Paving Company, clearing and grading of the Kenora-Fort Frances Highway . . ."

setting out the amount, and clearing and grading commencing at so and so.

Mr. Ellis: I have no objection to the form in which the question is put.

Q. What, Mr. Campbell, do you know about this item of \$1,677,892.73, clearing and grading, commencing at the junction of the Kenora-Fort Frances and Trans-Canada Highways, east of Kenora?

HON. Mr. ROEBUCK: Approximately seven miles, \$14,226.50.

Mr. Ellis: No. I am going to ask about that later on. The latter words that you read are attached, as I understand it, to the \$14,000 amount. I do not understand it in the way you understand it, Mr. Attorney-General. I think they are different items, and I propose to deal with them separately.

THE CHAIRMAN: I think that is quite all right, Mr. Ellis.

WITNESS: Do you wish the figures for the payments during the full fiscal year, 1936, or just in addition to what was taken up last year?

MR. Ellis: Q. Let us have them for the full fiscal year ending March 31st, 1936. What was the total expended under the terms of this contract as well as the extensions?

A. Under the contract, 21, which I believe is the first item in the Public Accounts referring to the 40.18 miles—.

Q. I beg your pardon?

A. Referring to the 40.18 mile section, the total payment—.

Q. What was the mileage?

- A. 40.18. I believe it is in the Public Accounts. The total payments during the fiscal year, 1935, from April 1st, 1935, to March 31st, 1936, amount to \$1,677,892.73.
- Q. Were there any payments made that you know of subsequent to that time and up to the time you left the Department as Deputy Minister?
  - A. There would be a payment—.

HON. MR. ROEBUCK: That is not included, and I do not think the witness should be asked to give evidence on matters about which he is not prepared to give evidence.

Mr. Heighington: Last year, Mr. Chairman, by reason of an answer on the order paper as to the total amount expended on this contract subsequent to the final date of the fiscal year, we were allowed to go beyond the last period of the fiscal year. I think the same latitude should be allowed this year.

HON. MR. ROEBUCK: Because of two reasons, first, there was to be a complete inquiry into the whole subject matter, and the second was that the resolution in the House gave you the authority, as I remember it. Now, then, we have done all that, we have examined it. And this time we are examining into the payment of \$1,677,892.73. The witness has been warned, and it is regarding that that he is expected to answer. He is not expected to answer anything previous or subsequent to this period.

MR. Ellis: Would you mind telling me the date that any resolution went through the House in connection with this inquiry, because there is no such thing?

Hon. Mr. Roebuck: No, I cannot remember the date; I am only speaking from memory.

MR. Ellis: Your memory is no good.

THE CHAIRMAN: Please do not let us have these proceedings conducted with so much acrimony.

Mr. Ellis: There is no acrimony, as far as I am concerned.

THE CHAIRMAN: You are telling the opposing counsel that his memory is no good. However, the matter is not material.

Mr. Ellis: It is most material when counsel for the Government makes a statement the correctness of which, I say, can easily be ascertained; and I say it is not correct.

Hon. Mr. Roebuck: I will let you have it your way.

MR. ELLIS: Thank you; because I am right.

THE CHAIRMAN: I do not see how we can go into anything outside of your

resolution. Anything in connection with this item of \$1,677,892.73 is perfectly relevant and pertinent, but I do not know how we can go outside of it. You could have made your resolution wider if you had wanted to.

Mr. Ellis: May I ask what I could have done?

THE CHAIRMAN: I am not here to advise on that. However, you have set out what you wanted to inquire into. Now the witness is prepared to answer. It is not fair to the witness to question him about things that he has not prepared himself to answer.

MR. Ellis: Q. Are you prepared to answer any questions other than would be indicated in the item set out in the motion, Mr. Campbell?

- A. Not from recent memory.
- Q. No, but are you about any date subsequent to the closing of the inquiry?
- A. The information I have with me deals with the fiscal year only.
- Q. With the fiscal year only?
- A. Yes.

MR. Ellis: I will let this witness go but reserve the right to recall him.

THE CHAIRMAN: All right. Next witness?

MR. Ellis: Q. Before you go, what have you got in the fiscal year with regard to payments?

- A. I have the full twelve-month periods, all payments made in connection with both sections.
  - Q. What do you mean by "both sections"?
  - A. Contract 21 and Contract 21 extension A.
  - Q. Approximately how many miles does Contract 21 call for?
  - A. Approximately 40 miles.
  - Q. That is the original contract with extensions, is it not?
  - A. Yes.
  - Q. And what is Contract 21-A?
- A. Contract 21-A refers to approximately a 7-mile extension adjacent to the Trans-Canada Highway.

Q. Is this a new contract over and above those which we investigated last year?

A. No.

Q. What was the total mileage given to the Dufferin Paving Company, Limited, with regard to the Fort Frances Highway itself?

THE CHAIRMAN: Never mind that, witness.

Mr. Ellis: He is talking of another seven miles. Surely I am entitled to ask him about it.

THE CHAIRMAN: We had that seven miles last year.

Mr. Ellis: I am not sure of that, and neither are you.

THE CHIARMAN: I am.

MR. ELLIS: Well, I am not. Am I to be prohibited from ascertaining what the seven miles is?

THE CHAIRMAN: Yes, unless it has to do with this item.

MR. HEIGHINGTON: He can ask him what was the total mileage to date.

THE CHAIRMAN: If this item of \$1,677,892.73 has anything to do with any further extensions, I would say it is relevant and pertinent; otherwise, it would not be.

Mr. Ellis: Here, Mr. Chairman, is an entirely separate item in the accounts. It surely cannot have any relation to the original contract granted to the Dufferin Paving Company, Limited.

THE CHAIRMAN: I would suggest that you ask him what it represents and what it is for.

MR. ELLIS: Will you tell me what it represents?

THE CHAIRMAN: The witness might be able to tell you.

MR. ELLIS: That is what I want to ascertain.

Q. Where is this additional seven miles on which a payment of \$14,226.50 has been made up to the end of the fiscal year, March 31st, 1936?

A. It is seven miles on the north end of the highway in question, adjacent to the Trans-Canada Highway.

THE CHAIRMAN: Q. What do you mean by "adjacent to"? Is that the seven miles running south from Kenora, the first seven miles of the highway?

A. Possibly I had better get the map we had on the wall last year.

Mr. Ellis: Q. Mr. Campbell, point out on this map to the Committee the original contract granted and the mileage.

- A. The original section is shown in red.
- Q. From where?
- A. From mileage 18.8 to mileage 49.8.
- Q. What is that mileage?
- A. That is thirty-one miles.
- Q. That is the original contract which was granted?

The Chairman: Now, Mr. Ellis, that is all in last year's evidence. If you would let us know how you are connecting up the item you are dealing with here with the original contract or extensions, I will permit it.

Mr. Ellis: I do not know myself whether this second item has any connection with the original contract, nor does any member of the Committee, and that is what I want to ascertain.

THE CHAIRMAN: Why not ask him?

MR. Ellis: That is what I am doing.

THE CHAIRMAN: No, you are asking the number of miles in the original contract, which all appears in the Journals of last year's session.

Q. You gave all that evidence last year did you not, Mr. Campbell?

A. Yes.

THE CHAIRMAN: You see, it costs a lot of money, Mr. Ellis.

MR. Ellis: Well, there are two million dollars involved here.

Q. Show me where the seven miles is located on which the sum of some \$14,000 odd was expended up to the end of the last fiscal year?

THE CHAIRMAN: Now we are getting down to it.

WITNESS: On the plan we have in front of us, Kenora is shown with a red dot and the name.

MR. ELLIS: Q. That is from what point on the map to what point?

A. The Trans-Canada Highway is shown running easterly to Fort William.

- Q. In what colour is it shown?
- A. In blue, being approximately 14.2 miles to the junction of the highway in question.
  - Q. But where is this particular seven miles?
- A. That seven miles is the first seven miles southerly from the Trans-Canada Highway on the Heenan Highway.
- Q. And that contract was granted to the Dufferin Paving Company, Limited?
  - A. Yes.
  - Q. By tenders?
  - A. As an extension.
- Q. As an extension to the original contract. Was that seven miles gone into at the last inquiry?
  - A. Yes, the extension was shown in the Public Accounts last year, I think.
  - Q. Why was it put in the Public Accounts of last year as a separate item?
- A. That would be something of which I would have no knowledge. The accountant would prepare those. The contract is given as an extension road, while the original for this section, the 40-mile section, is shown as Contract 21.
- Q. What is the total mileage that the Dufferin Paving Company, Limited, constructed or are constructing?
  - A. Approximately 47 miles.
  - Q. And that is inclusive of the seven miles to which we are referring?
  - A. Yes.
- Mr. Heighington: Q. Last year you gave an estimate of an amount required to be paid in order to finish the job, did you not?
  - A. To which job do you refer?
  - Q. To the contract under discussion then.
  - Mr. Schwenger: There are two. There is Contract 21 and Contract 21-A.
- Mr. Heighington: I understood the witness to name a figure of at least \$300,000 last year to finish one particular contract. What contract was that?

WITNESS: As I remember it, that would be the 7-mile extension to the north.

Q. Yes. And is any part of that \$300,000 included in the figure that is now under discussion?

A. I do not remember what estimate that was, whether that was an estimate for the total cost or an estimate for completion from that time.

THE CHAIRMAN: That question, Mr. Heighington, is a glaring example of how unfair it is to a witness to ask him questions about things about which he is not prepared to give evidence.

MR. HEIGHINGTON: If we had an amount left over last year, it could be calculated.

THE CHAIRMAN: But he is only guessing. His mind is groping back over items that are two years old. He has prepared himself thoroughly to deal with any of the items, I suppose, in connection with these two figures, but outside of that he is obliged to more or less guess.

Mr. Schwenger: Mr. Chairman, the answer to Mr. Heighington's question can be found at page 135 of the Journal for last year.

Mr. Ellis: Q. Mr. Campbell, over and above the sum of \$1,677,892.73 expended in connection with this contract, what do you estimate will be the cost to finally complete the roads being constructed or already constructed by the Dufferin Paving Company, Limited?

THE CHAIRMAN: I do not see how that is relevant, because he is not with the Department, and, no matter what his estimate is, how is it relevant to the money that has been expended and about which we are inquiring?

Mr. Ellis: He is an expert witness, was in charge of that work and is fully qualified to give an estimate of what the ultimate cost will be.

MR. COLTER: He does not know what class of work is going to be done.

Mr. Ellis: He was in charge of the whole contract, knew about the letting of the contracts, the extensions, and everything covered by the contract, and I submit that he is in a perfectly good position to answer my question. What will it cost over and above this sum of \$1,677,892.73 to complete all the highway construction granted to the Dufferin Paving Company Limited?

THE CHAIRMAN: My ruling, Mr. Ellis, is that the answer in any case would be mere conjecture or guesswork. The next point is that it is absolutely irrelevant.

Mr. Heighington: The passage to which Mr. Schwenger referred at page 135 of last year's Appendix No. 1 of the proceedings reads:—

- "A. On the seven-mile section to the north I would say the total cost would be somewhere in the neighbourhood of \$40,000 to \$45,000 a mile."
- "Q. So that means that the estimate on the seven miles still to be completed will run perhaps somewhere around \$300,000?
  - "A. Well, that is only a guess."

MR. HEIGHINGTON: Q. I want to know, and I think it is within my province, if the seven miles is included in the item under discussion, how much it cost per mile.

- A. I have not those figures with me.
- Q. Can you give us a guess, then?
- A. Well, no further than last year, because it was shortly after that I had nothing more to do with them.
- Q. So you are not able to state to this Committee how much per mile the item under discussion represents?
  - A. It represents the payments to March 31st, 1936.
- Q. You are not in a position to state how much per mile is represented in that?

THE CHAIRMAN: How much per mile is represented?

Mr. Schwenger: If you will divide it by 7 you will get the amount per mile.

Mr. Heighington: Let him say so, he can then get it on the record.

Q. You are not in a position to give me that figure?

THE CHAIRMAN: There are three different items. There is grading, covering with clay and the putting on of the stone, which represents three separate and distinct operations as I understand it.

MR. Ellis: Q. Mr. Campbell, regardless of what may actually have been paid to the Dufferin Paving Company, Limited, what was the last progress certificate granted to them up to the 31st of March, 1936?

- A. On the seven-mile section?
- Q. No, on the whole thing.

HON. MR. ROEBUCK: Covered by which item?

MR. Ellis: I am dealing with the item of \$1,677,892.73, and I ask him what progress certificates have been granted up to March 31st, 1936,—the final progress certificates?

WITNESS: That, I will have to get from the certificate.

HON. MR. ROEBUCK: Mr. Chairman, if I understand my friend rightly, he is asking for some progress certificate that is not included in the item of \$1,677,892.73.

THE CHAIRMAN: I understood it was.

Mr. Ellis: I do not know whether it is or not, and I will not know until it is produced.

HON. MR. ROEBUCK: Is this a fishing expedition?

Mr. Ellis: No; a legitimate inquiry into a contract that started at \$600,000 and is now over \$2,000,000.

The Chairman: Mr. Ellis, we want to be fair, but that is not my information from the evidence that was given here last year. It was not a contract for \$600,000 odd. I think everybody will agree with me that the contract was let on a unit basis, and that was a mere estimate. In addition to that there was practically 50 per cent more highway constructed in the form of extensions, in addition to getting down to bed rock, getting the grade, doing the cutting and everything else. There were two additional contracts, namely, one for filling and the other for the covering with gravel, so there were, altogether, three different contracts as I understand it.

Mr. Heighington: With all deference to your ruling, I think it was a definite contract for a definite number of miles. I do not think you can say it was on a unit basis for an unlimited number of miles.

THE CHAIRMAN: It was let on a unit basis.

Mr. Ellis: I think that as Chairman of this Committee, having made a public statement to the members of the Committee, we ought to clear it up and see whether your statement to the Committee is correct or not. I think we should refer back to the evidence, because I state very definitely to the Committee that a contract was actually let to the Dufferin Paving Company, Limited, for the sum of \$686,000, and that was the lowest price submitted.

Mr. Heighington: I submit, Mr. Chairman, that you should not press your ruling, with all respect. I think we should produce the certificate and go on.

THE CHAIRMAN: I said I thought Mr. Ellis was perfectly entitled to all the progress certificates connected with that item of \$1,677,892.73. He is entitled to any progress certificates represented by that item.

Mr. Ellis: I submit I am entitled to all progress certificates up to the end of the fiscal year, March 31st, 1936. Why prohibit me from having them?

HON. MR. ROEBUCK: We are not. My friend is just trying to make a little splurge, that is all. He was disappointed at what he got last year.

Mr. Heighington: Oh, no.

THE CHAIRMAN: I would not say that.

HON. MR. ROEBUCK: I will say it.

MR. HEIGHINGTON: You are an optimist.

THE CHAIRMAN: Because he will say something nasty in return.

HON. MR. ROEBUCK: He has not a monopoly on saying things of this kind. I too can answer.

Mr. Baird: Q. When you gave your estimate last year of the amount you thought would be necessary to complete this contract you were under the impression that the contract would be completed under the Department of Northern Development, is that not right?

A. Yes.

Q. Would it have made any difference if you had had in mind the fact that the Department of Highways was going to complete the contract, would your estimate have been higher or lower?

HON. MR. ROEBUCK: Or the same.

MR. BAIRD: Q. Or the same.

WITNESS: I could not very well estimate what somebody else intended to do.

Q. Well, you would not have estimated any higher than you thought would be necessary, would you?

THE CHAIRMAN: As a solicitor, Mr. Baird, are you not asking the witness to guess?

Mr. Baird: Yes.

MR. COLTER: That is not evidence, that is an opinion.

THE CHAIRMAN: The Committee does not care whether he is a good guesser or the worst guesser in Toronto.

Mr. Heighington: He is supposed to be an expert.

Mr. BAIRD: Does the witness not know?

THE CHAIRMAN: If an expert is asked an opinion he sits down and makes a calculation, then gives his answer. It is as good as he can give, but simply to sit in a chair and have him say he guesses so much—I do not think it helps the Committee. I can guess as well as he can.

MR ELLIS: Oh, no

THE CHAIRMAN: I am a good guesser

Mr. Baird: Q. The witness gave an estimate last year and he says that he had in mind the fact that this contract would be fully completed under the Department of Northern Development; I want to know whether, if he had any idea that it was to be completed by another Department, his estimate would have been the same?

THE CHAIRMAN: Answer it any way you like. It might save time by giving some sort of an answer.

MR. Ellis: Q. Have you your last progress certificate prior to March 31st, 1936?

Mr. Baird: My question has not yet been answered.

WITNESS: Well, I would not have made any attempt at an estimate.

MR. BAIRD: You did estimate it.

Mr. Schwenger: No; he guessed.

MR. BAIRD: Well, call it what you like.

MR. DUCKWORTH: We want to know whether it would cost more under one Department than it would cost under another Department.

THE CHAIRMAN: There was an answer to that very question last year, Mr. Baird, which will be found at page 135, as follows:—

"Q. So that means that the estimate on the seven miles still to be completed will run perhaps somewhere around \$300,000?

"A. Well, that is only a guess."

Now there you are, and that cost a lot of money to write that down.

Mr. Baird: I am not going to say whether it was an extension or not, but the witness had in his mind that the Department of Northern Development was going to complete it, and I would like to know if he was still of the same opinion when he found out that the Department of Highways was going to do it.

HON. MR. ROEBUCK: A very unfair question, put for the purpose of embarrassing the witness; not a bona fide question at all.

MR. BAIRD: No, it is not.

THE CHAIRMAN: It is just a question with an innuendo.

Hon. Mr. Roebuck: The questioner wants the witness to tell us whether he thinks more about Peter Heenan than Tom McQuesten.

Mr. Duckworth: We want to know whether Peter can do it any cheaper than McQuesten.

MR. GLASS: I would like to know if this witness ever worked for the Department of Highways.

Mr. Duckworth: We want to know whether this work can be done cheaper under Heenan or cheaper under McQuesten.

HON. Mr. ROEBUCK: Q. Perhaps, Mr. Chairman, the witness could help us with some real information. He told us he guessed \$300,000 last year to complete the work, but would he now tell us how much it actually cost to complete?

Mr. Heighington: That is what I want to know.

Mr. Baird: So far as the guess is concerned, his Department guessed that there would be 600,000 yards of over-haul, while the evidence was that there were 1,600,000. The whole contract was pretty much of a guess. If it had not been, it could not have been increased so much in that time.

THE CHAIRMAN: If you have ever been in that country, Mr. Baird, you would understand why a good many people have had to do a lot of guessing.

MR. HEIGHINGTON: You might have taken an aeroplane!

MR. Ellis: The Attorney-General suggested a question to the witness but did not get an answer.

HON. MR. ROEBUCK: I had the impression that this particular section had been completed prior to the 31st of March, but I find now that it was not completed at that time.

Mr. Heighington: The Attorney-General inadvertently asked the very question I wanted to have answered..

MR. Ellis: Q. Mr. Campbell, have you your last progress certificate?

A. Progressive certificate up to and including March 31st, 1936.

Q. What is the total?

MR. SCHWENGER: On which contract?

MR. ELLIS: On all the contracts.

WITNESS: There would be two certificates for the two sections.

Mr. Ellis: Q. Give us the total amount of the two certificates. How much for Contract 21?

A. Do you want the total amount paid or the total amount returned?

- Q. I want the total amount of the estimate passed on by the Department for payment under Contract 21.
  - A. The total value of work done to date-
  - Q. That is, to the 31st March, 1936, is it?
  - A. Yes, \$1,970,639.37.
  - Q. What was the amount under Contract 21-A?
  - A. The figure I just read was for Contract 21.
  - Q. Yes. What is the figure for Contract 21-A?
- A. On the seven-mile section adjacent to the Trans-Canada Highway the value of work done to March 31st, 1936, is \$14,226.50.
- $Q.\ \ \ What\ percentage\ of\ the\ total\ contract\ was\ completed\ as\ of\ the\ 31st\ March,\ 1936?$

THE CHAIRMAN: You mean of the seven miles?

Mr. Ellis: The whole contract.

WITNESS: I am sorry. I cannot answer that question, not offhand now.

- Q. I understand that 50 per cent had been completed.
- A. Of the two sections?
- Q. Of the whole contracts granted to the Dufferin Paving Company, Limited, in connection with the Kenora-Fort Frances Highway?
  - A. Yes, I would say at least 50 per cent, possibly more.
  - Q. About what would you say would be the limit?
  - A. I am not in a position now to make an estimate of that.
  - Q. Do you think it would be approximately 50 per cent?
  - A. No, I would not say that.
- Q. Will you give us an approximate idea of the percentage of the work that was actually done as of the 31st of March, 1936?
  - A. No.
- Q. Do you mean to say, as an engineer of that Department, that you cannot even make an approximate estimate of the percentage of work done as of the 31st March, 1936?

- A. Not without visiting the job and going over it.
- Q. Did you visit it at any time around March, 1936?
- A. No.
- Q. Did you ever visit the work?
- A. Yes.
- Q. When was the last time?
- A. I think it was around July, 1935.
- Q. And at no time subsequent?
- A. Not that I remember offhand.
- O. The nearest you can give is that it is at least 50 per cent?
- A. Oh, no.
- O. That is what you said?
- A. You asked me if I thought the work was 50 per cent completed.
- Q. And you said at least 50 per cent?
- A. Yes.
- Q. Do you change that now?
- A. No, I would not attempt to make an estimate now of the approximate stage of completion of that.
- Q. So you are taking back what you said when you stated it was at least 50 per cent, are you?
  - A. No, I still think it was at least 50 per cent.
  - Mr. Ellis: That is all. I will now call Mr. R. M. Smith.
  - R. M. Smith, sworn. Examined by Mr. Ellis:
- Q. You are the Deputy Minister of Highways and also the Deputy Minister of Northern Development, are you not?
  - A. Yes.
  - Q. When did you become Minister of Northern Development?

- A. Deputy Minister.
- Q. Deputy Minister, rather?
- A. I am not sure just when the Order-in-Council went through but I would think it would be about the 1st of June.
  - Q. 1936?
  - A. 1936, yes.
  - Q. Are you familiar with this particular contract?
  - A. No, I am not.
  - Q. Do you know anything about it at all?
  - A. Very little.
  - Q. Who in your Department is in charge of this contract?
  - A. I am, as Deputy Minister.
  - Q. What official of your Department is actually in charge?
  - A. I thought I was being examined in accordance with the resolution.
  - Q. So you are.
  - A. Well, I know nothing about the-
- Q. I am asking a very simple question. What official in your Department does know something about it?

HON. MR. ROEBUCK: Q. Is there anybody in your Department, Mr. Smith, who knows anything about this contract between the 31st of March of one year and the 31st of March of the next year, ending 1936?

A. Yes. The engineer in the district, of course, is the most familiar man.

Mr. Ellis: Q. What is his name?

- A. Mr. Kelly.
- Q. What are his initials?
- A. E.
- Q. Where is he now?
- A. At Kenora.

- Q. Who passes on all the progress certificates which come into your Department in connection with these contracts?
  - A. I do, after they are submitted by the engineers.
- Q. Have you ever inspected the work personally since you became the Deputy Minister of Northern Development?
  - A. Yes, I have been over this on two occasions.
  - Q. When?
  - A. I think the first time would be about the middle of July.
  - Q. What year?
  - A. 1936.
  - O. And?
  - A. I would say the latter part of September, 1936.
  - Q. Have you inspected the road or any part of it since?
  - A. No.
- Q. Are you in a position to say what proportion of the work was completed on the 31st of March, 1936?
  - A. Other than guessing at it.
- Q. Well, let us hear it. You are an expert witness. I prefer to use the word "estimate" instead of "guess," because I cannot imagine that the Deputy Minister of Highways merely guesses when it comes to contracts, does he? Do you prefer to use the word "guess" in connection with highway contracts, or the word "estimate?"

THE CHAIRMAN: Just to be fair to the witness, as he is being examined by an experienced counsel, guessing is when you just sit down, use your experience and make a guess, is it not? While estimating is when you sit down with a pencil and pad and work out some figures? That is an estimate, is it not?

WITNESS: That is what I would call an estimate.

THE CHAIRMAN: Without calculations, it is a guess, but with calculations, it is an estimate.

MR. Ellis: Q. Are you in a position to say, as an expert witness with full and complete knowledge of highway contracts, what percentage of the work was completed in your opinion on the 31st of March, 1936?

Hon. Mr. Roebuck: Q. Witness, had you ever seen the road by the 31st of March, 1936?

Mr. Ellis: I am asking the witness a question; he can either answer it or not, as he chooses.

 $W_{\mbox{\scriptsize ITNESS}}\colon$  I can only give you information as to when I saw it, which would be, as I say, about July.

- Q. What percentage of the work was completed in July, 1936, on your visit?
- A. I would say it would be at least 80 per cent complete.
- Q. Has the contract been completed yet?
- A. Yes.
- Q. When was it completed?
- A. Well, I could not say.
- Q. Approximately when?
- A. I would say about the first of this year.

THE CHAIRMAN: Q. For the information of the Committee, as well as myself, Mr. Smith, what would the 20 per cent unfinished portion represent, because I drove over it in the first part of July, and I thought it was awful.

- A. The 20 per cent, I would say, would be the seven miles.
- Q. But the rest of it was completed, the rest of the road?
- A. Yes.
- Q. You say 20 per cent. It was not 80 per cent complete the whole distance, but all the distance except seven miles was fully completed?
  - A. Quite right.

Mr. Ellis: Q. As of the 31st March, 1936, there had been expended in connection with these contracts, according to the Public Accounts, \$1,677,892.73. What proportion of the total work does that sum represent?

- A. I have no estimates here covering the 1936 period. Those can be obtained.
  - Q. Can you send for them?
  - A. Yes, we can send for them.

MR. Ellis: You might as well send for them now.

HON. MR. ROEBUCK: For what period are you sending?

MR. HEIGHINGTON: The period under discussion.

WITNESS: The period he is asking for is the period throughout 1936.

HON. MR. ROEBUCK: They are examining into 1936, and that is all.

MR. ELLIS: That is the figure I gave. He is now sending for the papers which will enable him to answer my question, namely, what proportion of the total work does the sum of \$1,677,892.73 represent, and I would suggest you wait until the papers come.

WITNESS: That is not the question. You asked me what was the total pavements to date.

Mr. Ellis: Oh, no.

THE CHAIRMAN: You were not ad idem?

Mr. Ellis: No.

HON. MR. ROEBUCK: My friend is getting at the same thing in another way. He is going to get at the distance and the amount by guessing at one-quarter and multiplying by 4. He is going to estimate the proportion that this piece we are now examining bears to the entire cost, and with a paper and pencil he can figure out the balance.

Mr. Ellis: Perfectly correct, and, knowing you as I do, you would do the same thing that I am doing.

Mr. Heighington: And reach a different result!

WITNESS: May I interrupt? You have the papers here up to the end of the year, have you not?

MR. ELLIS: I frankly do not know. You should know.

WITNESS: Those are the figures you already have.

MR. Ellis: Yes, I have those from the Public Accounts. Now I want to know the answer to the last question I put to the witness, if the reporter will go back and repeat the question to the witness. The witness may be able to answer; if not, well and good.

(Reporter read: "Q. As of the 31st March, 1936, there had been expended in connection with these contracts, according to the Public Accounts, \$1,677,892.73. What proportion of the total work does that sum represent?")

WITNESS: I replied to that. I told you I would estimate about 80 per cent.

Q. And you said that this figure in the Public Accounts of \$1,677,892.73 represents about 80 per cent of the work?

A. In my opinion.

MR. ELLIS: Mr. Chairman and Mr. Attorney-General, I have no desire to continue this investigation next year. Would it not very much simplify matters, and possibly prevent the necessity of moving a resolution in the House, if this investigation were opened up? While limited to the item which is set out in the Public Accounts my view is that in these matters there should be a wide open inquiry both for the benefit of the opposition as well as for the public.

Frankly, I would like to know, and I think this might bring the whole investigation to a conclusion, what was the final and ultimate cost of the whole work. If you agree to supply that information I will bring the investigation to an immediate conclusion.

HON. MR. ROEBUCK: That is a fair way of approaching a matter of this kind, and I will meet my friend in it. We will give you the final figure. I have been holding to the limit of my rights in connection with the matter because I felt that you would be going over what we had dealt with last year and calling for the details of accounts which were not completed and which the witnesses have not got ready this year. Now, we will give you that final figure.

THE CHAIRMAN: I presume the witnesses will have to prepare themselves and that this will end the matter?

HON. Mr. ROEBUCK: That was the understanding, that this will end the matter now.

MR. Ellis: As far as I can see, and as far as I am personally concerned, I think it will bring it to a final conclusion.

MR. Schwenger: And we will not have to rehash it next year?

MR. HEIGHINGTON: Unless you have another extension.

THE CHAIRMAN: It is completed.

 $\ensuremath{\mathsf{MR}}.$  Baird: But suppose there are a number of additional extensions between now and next year?

THE CHAIRMAN: It is finished now, Mr. Baird, and I can assure you it is a very beautiful road.

HON. MR. ROEBUCK: There might be new work done.

Mr. Baird: I was thinking of extensions.

MR. Ellis: Q. Now, Mr. Smith, what was the final and ultimate cost of all the work that was done by the Dufferin Paving Company, Limited, under these various contracts?

HON. Mr. ROEBUCK: Q. Have we completed all of the contracts?

A. Yes.

Q. The seven miles is now completed?

A. Is now completed, yes.

MR. ELLIS: Q. Now when my question is answered I will drop the investigation here and now. What is the answer to my question?

WITNESS: I have had to send for the papers.

THE CHAIRMAN: Are you now in a position to answer that question, Mr. Smith?

WITNESS: There are two final estimates.

Mr. Ellis: Q. What is that?

A. There are two final estimates, on 21-A and 21. The final estimate on 21 is \$2,113,682.20.

THE CHAIRMAN: Q. What is the 20 cents for?

A. That is the profit.

Mr. Heighington: That is the unearned increment.

WITNESS: And 21-A is \$296,079.87.

MR. ELLIS: Q. Making a total of?

HON. MR. ROEBUCK: \$2,409,762.07.

Mr. Ellis: The witness can give it.

WITNESS: \$2,409,762.07.

Q. Are there any outstanding or unpaid claims of the Dufferin Paving Company, Limited, over and above this total which you have just mentioned?

A. Nothing that I know of, no.

Q. And that is, therefore, the ultimate and final cost of the contracts let to the Dufferin Paving Company, Limited?

A. As far as I know.

MR. ELLIS: That is all.

HON. MR. ROEBUCK: That is not an excessive amount is it?

Mr. Heighington: Mr. Chairman, I am afraid you will have to rule on that question.

Hon. Mr. Roebuck: Q. You went over the road?

A. Yes.

Q. It is a pretty good road?

A. Yes, it is a fine road.

HON. Mr. HENRY: What is the average cost per mile?

THE CHAIRMAN: Q. That includes all the bridges, does it?

A. Yes. It is \$51,200. That includes all the bridges and structures.

Q. What do they represent?

A. Those are large and small culverts, and drainage.

MR. Ellis: Q. Just one more question, Mr. Smith; what kind of a road is this now?

- A. You mean as to the type of surface?
- Q. The type, yes.
- A. It is a gravel road.

Mr. Baird: Mr. Chairman, the other day in the House the Minister of Lands and Forests produced a map with arrows converging into Fort William from the different States in the United States, and I think he said there were some thirty-one million people living in that area. Now, is this the sort of road, a gravel road, that will be expected to carry the traffic created by these tourists in that territory?

WITNESS: Eventually this road must be improved, of course; treated with dust layer or a mat of some kind to keep it dustless.

- Q. Do you think, as an engineer, that a dust-covered surface will be sufficient to cover the heavy traffic created by thirty-one millions of people into the north country?
  - A. There are certain sections of it that will be paved eventually.
- Q. And that paving will, of course, involve a very considerable additional expense?
  - A. That depends entirely on the type.

MR. CHALLIES: Q. But those thirty-one million people would hardly be there every day?

A. No.

HON. MR. ROEBUCK: Q. Is this the same type of road that was built along the Trans-Canada?

- A. The same exactly.
- Q. And would it be comparable to that road under Contract 17 into which we entered last year on the Trans-Canada?
  - A. I do not know where that Contract 17 was.
  - Q. It is in the same neighbourhood.
  - A. It is the same.
  - Q. The same type of road?
  - A. Yes.
  - Q. And the cost was \$66,159 a mile?
  - A. Yes.
- Q. Would it be the same type of road as under Contract 18 on the Transcontinental where the cost was \$64,129.60 a mile? Can you locate that particular piece?
  - A. I would say it is about the same.
  - Q. Can you also tell me about Contracts 19 and 20?
- A. To my recollection—I have been over them twice—I would say they are about the same.
- Q. Are you sure, because in last year's evidence No. 20 is given at a cost per mile of \$73,852.71? It would be the same type of road, would it?
  - A. I would say that possibly on 20 the rock work might be a trifle heavier.
- Q. Of course, on 20 the cost was \$72,930.16, but on 19 it was the same thing.
- A. Well, as I recall it, the rock work keeps on increasing as you get to the intersection of these two roads. That is where it should be heavier, from 17 as you approach 20.
- Q. Then the cost per mile is not out of line with other road work in that neighbourhood?

A. No, I would not think so.

THE CHAIRMAN: Q. This is a Trans-Canada standard road?

A. There are varying widths of the Trans-Canada and I am not familiar enough with it to know whether in every case they compare or not.

HON. MR. ROEBUCK: Mr. Chairman, would it be satisfactory to meet again Friday morning? Mr. Ellis suggests Friday morning.

HON. MR. HENRY: Make it Friday morning.

HON. MR. ROEBUCK: Friday is satisfactory to you, is it, Mr. Henry?

HON. MR. HENRY: Yes.

Mr. Ellis: I would like to have Mr. Lyon, Mr. Jeffery, Mr. Hogg and Mr. Chester Walters for Friday morning.

THE SECRETARY: Mr. Hogg is in the Bahamas and will not be back until March 20th, but Mr. Jeffery and Mr. Lyon are available.

MR. Ellis: In the meantime, perhaps I might suggest that we proceed with the motion on which Mr. Walters is summoned.

HON. MR. ROEBUCK: No, Mr. Chairman, I object to keeping the Hydro matter open indefinitely. It was the second resolution moved.

MR. Ellis: All right, proceed on Friday.

Hon. Mr. Henry: Q. Mr. Smith, you have been over this road between Fort Frances and Kenora on different occasions; have you been over the Trans-Canada between Kenora and Dryden?

A. Yes.

- Q. The Attorney-General was comparing the cost of the Trans-Canada with this road; are the specifications the same?
  - A. Do you mean as to width?
  - Q. Yes, the general specifications.
- A. I would say as far as curvature is concerned and grade line, yes, they would be about the same, as I recall.
  - Q. The same width of grade constructed in each?
- A. I am not certain about that. Of course, I have only seen both sections twice.

HON. MR. ROEBUCK: Q. Are not the curves on this road better than the curves on the Trans-Canada?

A. I would think they would be, yes, but I am not certain as to the width of the grade itself.

HON. MR. HENRY: Q. You have travelled over both, and would you say that the territory passed through between the junction with the Trans-Canada for the 40 odd miles south towards Fort Frances is similar to the territory travelled by the road of the Trans-Canada immediately east of the junction towards Vermillion Bay?

- A. Well, just directly as you leave the intersection of the two highways continuing east, the work is very, very heavy.
  - Q. On the Trans-Canada?
  - A. Yes, gradually getting lighter as you continue to the east.
  - Q. So that it is not fair to compare these two portions of road?
- A. Of course, you leave from the same point in each case. On this sevenmile section that we have just finished discussing, they both start from the same point. Right at that instant they are practically the same, of course, but as you move south I would think—it is pretty hard to say after seeing it only twice but the alignment is better on the Fort Frances road.

HON. Mr. ROEBUCK: Q. It would be just as reasonable to ask if the payments were too high on the Transcontinental as to ask if they are too high on the Heenan Road?

A. Both these roads were very expensive to build, there is no question about that.

THE CHAIRMAN: With lots of muskeg.

WITNESS: I would not like to give too definite an opinion on that, Mr. Henry, having seen it, as I say, only twice. In one instance I went over it at night.

HON. MR. HENRY: Q. Would it be fair to say that the ten miles east of the junction is the most difficult piece of road that has been built in this Province?

- A. Yes, as I think possibly it has so much more rock.
- Q. Would it be fair to say that 15 miles of it was in that same condition?
- A. I would not want to go that far. I cannot remember the sections of it very well, not sufficient to give evidence regarding it.

THE CHAIRMAN: Is there any other business, gentlemen? If not, the Committee will stand adjourned until Friday morning at 10.30 o'clock a.m.

Whereupon the Committee adjourned at 12.15 noon until 10.30 o'clock a.m. on Friday, March 12th, 1937.

## THIRD SITTING

Parliament Buildings, Toronto, March 12th, 1937, at 10.30 a.m.

THE CHAIRMAN: The Secretary will call the Roll.

The Secretary called the Roll of Members.

THE CHAIRMAN: Yes, Mr. Ellis.

Mr. Ellis: Mr. Chairman, there are two motions dealing with two items appearing in the Public Accounts of 1936 in connection with the Hydro-Electric Power Commission. The second motion which I moved is ancillary to the first one.

I will call Mr. Stewart Lyon.

THOMAS STEWART LYON, sworn. Examined by Mr. Ellis:

- Q. Mr. Lyon, you are the Chairman of the Hydro-Electric Power Commission of Ontario?
  - A. Yes.
  - Q. When were you appointed?
  - A. I took office on July 11th, 1934.
- Q. I am first going to deal with an item appearing in the Public Accounts of 1936 under the heading of, "Hydro-Electric Power Commission of Ontario, advances by the Province to March 31st, 1936." For your information I may say that that is contained on page 36 of the Public Accounts of 1936.
  - A. Yes.
- Q. Will you kindly refer to that page. According to the Public Accounts of 1936 the net advances made by the Province to the Hydro-Electric Power Commission up to March 31st, 1936, is \$172,735,150.78. That is correct, is it not?
  - A. Yes, sir.
- Q. As I understand it, those were loans made by the Province to the Hydro-Electric Power Commission from time to time on capital account?
  - A. Yes, sir.
  - Q. What is the fiscal year of the Hydro-Electric Power Commission?
  - A. First of November to the 31st of October.

- Q. Why is it that you did not change the fiscal year of the Hydro to harmonize with the fiscal year of the Province, which is the 31st of March?
- A. The municipal year closes at the 31st of December. If our year ended on the 31st of March it would be nine months before we could close the books of the local distributing municipalities. It would be very inconvenient.
- Q. So you propose to continue the 31st of October as the fiscal year of Hydro?
  - A. Yes.
- Q. Would you kindly produce a copy of the Public Accounts up to March 31st, 1936.
  - A. You mean the advances of the Province to the Hydro?
- Q. No, I would like you to produce the report of the Hydro-Electric Power Commission up to the 31st of March, 1936.
  - A. We have no such report.
  - Q. Why not?
- A. Because our year ends on the 31st October, 1936. The portion between November 1st, 1935, and March 31st, 1936, will be presented to the Legislature in about two weeks. It is not ready yet.
- Q. So, in short, neither the members of the Legislature nor the people of the Province will be able to get a report relative to the Hydro-Electric Power Commission for the year 1936 until about two or three weeks hence?
  - A. Yes.
  - Q. That is after the House will likely adjourn?
  - A. I can file a statement.
  - Q. That will likely be after the House adjourns?
  - A. I do not know anything about that.
- Q. Why is it that you cannot get your report for 1936 ready at an earlier date?
  - A. We have still municipalities that have not made their reports.
  - Q. They should have made their reports, should they not?
  - A. The municipal books close on the 31st December.
  - O. Yes, but we are talking of the 31st of December, 1935.

- A. Yes, but our annual report for 1936 depends—oh, the municipal books for 1936? We have those. That closing has been made. We can show you an advance account.
- Q. I am not asking you that at the moment. What municipalities are in arrears of the required time with their reports?
- A. The annual report for the year ending 1936 depends in part on operations that continue in the municipalities for three months, two months at any rate, after we close our year.
  - Q. Which is the 31st of October, 1936?
- A. 1936, yes. So that our report for 1936, which is presented, as I say, in the legislative session of the following year, cannot be completed until we get the out-turn of the business of the municipalities which remain open until the 31st of December, 1936.
- Q. Well, the 31st of December, 1936, is now long past; why have you not succeeded in forcing these municipalities to give you the required reports so that the report of Hydro for 1936 could be made ready now?

A. We do our best.

MR. COLTER: Has that anything to do with this resolution?

THE CHAIRMAN: It is not that I can see covered by the resolution.

Mr. Ellis: Q. What were the net advances made by the Province to the Hydro-Electric up to the 31st of October, 1936?

MR. COLTER: We are not dealing with that, are we?

Mr. Ellis: I am dealing with 1936, certainly.

WITNESS: You are dealing with your fiscal year ending the 31st of March.

Q. No, I am not. I am dealing with some item of the Public Accounts for 1936 and I asked you a question relative to that. The question was, What was the amount of the net advances made by the Province to the Hydro-Electric as of your fiscal year ending October 31st, 1936?

Mr. Colter: That is not asked for in the resolution.

Mr. Ellis: Mr. Chairman-

THE CHAIRMAN: I was looking it up, and—

Mr. Ellis: Wait, Mr. Chairman. Surely-

THE CHAIRMAN: I do not want to be talked to in that manner. I do not

talk to you that way, and I do not want you to speak to me in that manner. I do not want any direction from you.

MR. ELLIS: I have not given you any directions.

THE CHAIRMAN: You started in to tell me to wait.

MR. ELLIS: I did not.

THE CHAIRMAN: Do you think my hearing is not very good?

MR. ELLIS: It is not.

THE CHAIRMAN: I was just about to remark that I was looking at the resolution and I see it says:

"That Mr. T. Stewart Lyon . . . be summoned to appear before the Public Accounts Committee to give evidence with reference to a certain item on page 7 of Public Accounts . . ."

Mr. Ellis: Yes.

THE CHAIRMAN: ". . . under bonds, etc., guaranteed by the Province, \$113,968,416.67."

MR. Ellis: That, Mr. Chairman, is not the resolution with which I am dealing. I am dealing with the other one.

WITNESS: The other resolutions reads that I have to bring evidence with reference to certain items at page 36 of Public Accounts for the year ending March 31st, 1936. That has nothing to do with our year.

Q. Well, are you in a position to say what the net advances were as at the end of your fiscal year, 1936?

Mr. Colter: I submit that is not one of the questions to be dealt with to-day.

MR. ELLIS: I submit, Mr. Chairman, that I have taken an item in the Public Accounts for the year 1936, and a very natural outgrowth of that motion is that I may ask questions sometimes dealing with matters prior to that in 1936 and that I may ask questions sometimes dealing with matters subsequent to the 31st of March, 1936, relating to this item.

MR. COLTER: If counsel wanted that information, he should have asked for that information. I do not suppose the witness is prepared to give evidence with respect to anything except what he has been asked for. I do not think he should be asked questions along that line.

MR. ELLIS: Q. Well, Mr. Chairman, I might ask the witness. Can you give me that information now?

MR. COLTER: Even if he can, I do not think it has anything to do with this investigation.

WITNESS: It is not covered by the resolution.

MR. Ellis: Q. I say, can you give that information now?

A. There is no reason, as far as we are concerned, why we should not.

Q. Do you mean that you can give me the information now?

Mr. Colter: I object.

Mr. Ellis: I am asking if he can give me the information.

WITNESS: I am at the Committee's service. The Committee has asked me to give certain figures.

Q. I did not ask you that question. I asked, Can you give me that information now?

Mr. Colter: I object to the question.

THE CHAIRMAN: Sometimes, Mr. Colter, you save time by letting the question be answered.

WITNESS: I can.

Mr. Ellis: Q. You can?

A. Yes.

Mr. Ellis: Well, then, Mr. Chairman, I propose to ask the witness what was the amount of the net advances to the Hydro by the Province as at the end of the fiscal year of Hydro, October 31st, 1936.

 $\ensuremath{\mathsf{Mr}}.$  Colter: That does not come into this question at all and I object to it.

MR. Ellis: I am going to ask for the Chairman's ruling.

THE CHAIRMAN: If counsel for the Government objects to it, I do not see how I can permit it if it is not covered by the resolution. Personally, I have no objection to it.

Mr. Ellis: I might point out that the Chairman of the Hydro is here. It will only mean that next year we will have to have this investigation again—

Mr. Colter: You will do it anyway.

Mr. Fllis: Now, Mr. Colter, you do not know what I am going to do next year any more than I know what you are going to do.

Mr. Colter: Why not keep to the proper form of evidence to be given in these investigations? I do not think we should go all over the matter at all. You have asked for certain information, the witness is here prepared to give it, and I think that is all you are entitled to have. If you had wanted any more information, you should have asked the question in a proper way.

Mr. Ellis: Will you suggest the proper way?

THE CHAIRMAN: I will permit the question, although it is outside the resolution.

MR. ELLIS: My point is this, that the Province has a very large investment in Hydro made in advances on capital account; in addition to that, they have guaranteed a great number of bonds of the Hydro. Therefore, surely the Members of the Legislature and the people of the Province ought to be entitled to a full inquiry into the affairs of Hydro.

THE CHAIRMAN: I understand, Mr. Ellis, that you are in some difficulty because of the difference in the termination of the fiscal year.

MR. Ellis: Yes, Mr. Chairman, but that is not my fault.

Mr. Schwenger: You will get that information as soon as the Hydro Report becomes available.

MR. ELLIS: Which will be after the Legislature closes.

THE CHAIRMAN: Let us go ahead then, Mr. Ellis.

Mr. Ellis: I thank you, Mr. Chairman, for your courtesy in permitting me to ask that question.

Q. What, Mr. Lyon, was the amount of the net advances made by the Province to the Hydro on capital account up to October 31st, 1936?

A. I filed a statement showing that the net advances, as at October 31st, 1936, were \$162,357,000 of which \$7,168,019 had been advanced on behalf of the Northern Ontario properties of which the Hydro was not the beneficial owner but the trustee. The net advances, therefore, to Hydro for Hydro's purpose as at October 31st, 1936, were \$155,189.089. I am dropping the cents.

Q. Have you an extra copy of that which you do not require?

A. Yes.

Mr. Ellis: I suggest that a copy be filed as an exhibit.

THE CHAIRMAN: The reporter has taken it down.

Mr. Ellis: Very well.

WITNESS: Pardon me, but there are other figures here. I brought the

figures until March 1st, 1937, and so far as the Hydro is concerned there is no reason why they should not be given.

- Q. What are they?
- A. Do you want them?
- Q. Yes.
- A. The net balance of advances on March 1st, 1937, on capital account was \$151,572,943, of which \$7,168,019 were advances made specially for northern properties owned by the people of Ontario, not by the Hydro.
- Q. What amount was repaid by the Hydro in 1936 on the capital advances made directly by the Province to Hydro?
- A. There were repayments during 1936, that is, the Government's fiscal year
  - Q. March 31st, 1936, you mean?
- A. Yes, of \$12,435.000. On the 1st of December, 1935, \$7,436,297. On December 31st, 1935, \$4,000,000. On March 31st, 1936, \$999,603.
  - Q. Making a total of?
  - A. \$12,435,900.
  - Q. That was up to March 31st, 1936?
  - A. From December 1st, 1935, to March 31st, 1936, \$12,435,900.
- Q. What were the repayments up to the end of your fiscal year, October 31st, 1936?
- A. The further repayments during 1936 to the end of our fiscal year were, May 2nd, \$6,698,672. Again, at the end of May, \$1,174,011. In June—they have not given the dates, but I suppose we could fill them in if necessary—the amount is \$643,558. In August, \$680,295. In September, \$1,181,503; a total as between May 2nd and October 31st of \$10,378,041.
  - Q. Making a grand total in 1936 up to October 31st of what amount?
  - A. These two sums—\$12,435,900 and \$10,378,041.
  - Q. That is the total to October 31st, 1936, but from what date is it?
  - A. You have those figures.
  - Q. Subsequent to March 31st, 1936, there was \$10,378,041?
  - A. Yes.

- Q. Altogether there has been something like \$23,000,000 repaid by Hydro in 1936?
  - A. That is in its fiscal year, 1936.

THE CHAIRMAN: Q. I understood that covered part of 1935?

- A. Its fiscal year begins on the 1st of Novermber, 1935.
- Q. Two months of 1935 and up to the end of 1936?
- A. To the end of October.

Mr. Ellis: Q. Mr. Lyon, how were these advances made by the Government to Hydro on capital account repayable?

- A. They were repayable at first and for many years by sinking fund payments, an annual sinking fund payment made as of October 31st, each year. And up until October 31st, 1933, there had been repaid on a gross advance of \$207,250,258, by sinking fund payments, an amount of \$17,008,616. On October 31st, 1934, that sum was added to to the extent of \$2,412,398.
  - Q. Why was the additional sum added?
- A. Because that was the annual sum, the annual amount we had to pay in sinking funds on advances of \$207,000,000. At the end of 1934 the Hydro Commission made a new agreement with the Government regarding repayment of its debt under which they, instead of paying a certain fixed sinking fund payment which would liquidate the debt in forty years, agreed to meet by cash the Hydro's share of Ontario Government securities falling due thereafter. The moneys on which the Province issued bonds had been partly Hydro money and partly moneys for direct provincial purposes. A segregation was made of these two items, the direct provincial expenditures, the moneys obtained by issues of bonds handed over to the Hydro for its capital purposes, and the Hydro agreed thereafter to pay, as these bonds matured, the Hydro's share thus allocated of all these advances.

THE CHAIRMAN: Q. Just to make that clear, do you mean that if the Province sold \$100,000,000 worth of bonds and that \$25,000,000 of it was to go to the Hydro and \$75,000,000 to the Province, as those bonds fall due the Hydro would take steps to meet the \$25,000,000?

A. On the direct issue, yes.

Mr. Ellis: Q. But under the system which was in force before the change was made, about how much per annum would have to be paid by Hydro to the Government to discharge its indebtedness in the forty years?

A. Well, of course, there were the interest payments which ran up to over \$9,000,000 a year.

- Q. The interest payments on the direct advances made by the Government or on the Hydro bonds guaranteed by the Government?
  - A. On the total amount at that time of \$207,250,000.
  - Q. That was the advance made directly by the Government to Hydro?
  - A. And we paid interest on that.
  - Q. And that amount, you say, was approximately \$9,000,000 per annum?
- A. I can give you the exact figures if you want them. The interest payment for the year ending October 31st, 1934, or, rather, the total moneys paid in interest were \$10,138,022. Almost all of that was paid to the Government.
- Q. Were there any further payments made that year by Hydro to the Government?
  - A. They paid \$2,412,398 as of October 31st, 1934, as a sinking fund payment.
  - Q. That is in addition to the \$10,000,000?
  - A. Yes.
- Q. Would it be fair to say that under the old system approximately \$10,000,000 or \$12,000,000 was repaid by the Hydro to the Ontario Government?
  - A. No.
- Q. Would you give me some approximate figure as to what the average would be prior to the time you made the change?
- A. We continued to pay the interest money in addition to the repayment of a portion of the principal, the same as before.
- Q. Yes, but prior to making the change can you give me an approximate idea of how much Hydro paid each year to the Government for interest to discharge its indebtedness to the Government within forty years? I just want some idea of the average payment made before the change.
- A. Our books show this range: Interest payment almost all to the Government, 1929, \$8,195,000. In 1930, \$8,980,000. 1931, \$9,502,000. The exchange began to be a serious problem then, and in 1932 the payment on account of interest and exchange was \$10,691,491. In 1933 the interest payment was \$10,445,990. In 1934, the amount was \$10,138,022. In 1935, \$9,891,875. The return for 1936 is not completed.
- Q. Will you state again what was the date when you made the change in the system which has been in vogue of repaying the Government?
- A. October 31st, 1934. We continued to pay in 1935 a sinking fund payment on the then net balance. In addition to the interest payment during the

fiscal year 1935 we paid to the Government, return of advances, \$247,507, and a sinking fund payment of \$2,410,683. That was the last payment made on that basis.

Q. Then subsequent to that time the Hydro proceeded to repay to the Government its share of the Hydro debentures as and when they fell due?

A. Yes.

Q. And so we find that in the year 1936 the Hydro had repaid to the Government approximately \$24,000,000?

Mr. Colter: No, \$23,000,000.

WITNESS: No, it is over \$24,000,000; almost \$25,000,000. It is \$24,800,000.

MR. Ellis: Q. Where did you get the money from?

- A. Partly from sinking funds. The accretion of sinking fund moneys in the Hydro books as shown at pages 143, 160 and 163 in the Hydro-Electric Power Commission Report of 1935. Take page 163 first, which shows the accretion of sinking fund moneys. In that year the total sinking funds accumulated by the Hydro was \$3,672,192. These moneys were held in the Hydro treasury for the payment of a proportion of the Ontario Government bonds maturing in that year and the necessary sinking fund for Hydro's own direct issues, \$3,672,192.
  - Q. Was that all taken?
  - A. By the Government?
  - Q. Yes.
  - A. Oh no. I think I gave you the figures for that year a moment ago.
  - Q. Yes, I think they are on record.
  - A. \$2,410,683 in the year 1935 to the Government.
  - Q. Where did the balance of the money come from?
- A. Some portion of it came from a reissue of refunding bonds. For example, on January 1st, 1935, \$10,000,000 of bonds were issued for the purpose of refunding \$8,000,000, 5 per cent debentures of the Dominion Power and Transmission Company, due 1st January, 1935. Two millions were issued, as the statement shows, to restore reserve funds to the extent of \$2,000,000 used temporarily in the retirement of the outstanding first mortgage 5 per cent bonds of the Electrical Development Company of Ontario, due March, 1933.
- Q. I assume you had retired those bonds from your reserve and then subsequently floated a bond issue to replace the amount you had taken from your reserve?

- A. I think that was the situation. These moneys had been taken before our time. We were retiring moneys that had been taken from the sinking fund by the old Commission. The moneys had been paid on the 1st of March, 1933. They were not refunded until the 1st of January, 1935. Now that was the only issue that we made of bonds in that year, and \$2,000,000 of that issue would be free to take up Ontario Government bond issues.
  - O. Where did the balance of the money come from?
  - A. Accumulating sinking funds.
- Q. That is, the balance of the \$24,000,000 came from accumulated sinking funds?
  - A. Yes.
- Q. What amount of accumulated sinking funds had you when you paid the Government the final payment of the balance of \$24,000,000 odd?
- A. The total amount at the credit of the sinking fund appropriation, as shown by the books, October 31st, 1935, for all systems, was \$35,121,754.
  - Q. What was it on October 31st, 1936?
  - A. Those figures are not available and will not be for a week.
  - Q. Have you an approximate idea?
  - A. Over three and a half millions more.
  - Q. More than what?
  - A. More than the figure of \$35,121,754.
- Q. Do you think you will have approximately \$38,000,000 of sinking funds on hand as of October?
  - A. Not all of it on hand, part of it handed over to the Government.
- Q. I want to know the balance of the sinking fund that you will have on hand as at October 31st, 1936.
  - A. Somewhat less than \$7,000,000.
- Q. So in the period of a year the sinking funds of Hydro will have depreciated to the extent of \$28,000,000?
  - A. Not depreciated.
  - Q. There will be that much less?
  - A. Paid back.

- Q. Paid back to the Government?
- A. Yes.

HON. MR. ROEBUCK: That is his idea.

MR. ELLIS: Q. Nevertheless the fact remains, does it not, that on October 31st, 1936, the sinking fund of the Hydro-Electric will be \$28,000,000 less than it was in the prior fiscal year?

- A. Its debt will be correspondingly less.
- Q. I agree; nevertheless the fact is that your sinking fund will be \$28,000,000 less?

MR. Belanger: Of course. What is the use of repeating it? The answer has been given two or three times. We know that the debt will be that much less as will the sinking fund. We are not children.

MR. ELLIS: We may not all be as bright as you are, Mr. Belanger, and I want to get the matter perfectly straight in my mind. I am doing the examining.

MR. BELANGER: You are doing the examining for the Committee's benefit.

MR. ELLIS: No, I am not. I am doing it for the Opposition.

MR. BELANGER: No, you are acting for the Committee.

MR. ELLIS: No. Mr. Roebuck acts for the majority of the Committee while I act for the minority.

Mr. Belanger: Well, you are getting that information for the enlightenment of the Committee.

HON. MR. ROEBUCK: It is supposed to be in the public interest.

Mr. Ellis: Yes.

HON. MR. ROEBUCK: Though it may not be.

THE CHAIRMAN: I should like to make this point clear. Do you save money in the shape of interest by that change in the system?

A. We make large savings in that way.

MR. ELLIS: Q. You also lose the interest which you got on your sinking funds, do you not?

A. Yes, of course.

THE CHAIRMAN: You are getting less interest on the sinking funds but saving on the other hand?

MR. Ellis: Q. What interest were you getting on your sinking funds, and how did you have the money invested?

A. A curious regulation existed, that we must earn 4 per cent on all sinking funds held in the hands of the Hydro. It is a statutory obligation. Like the insurance companies, we find it quite difficult to get that to-day, but we hitherto have been able to earn over 4 per cent a year on all sinking fund moneys and all reserve moneys in the hands of the Commission.

Mr. Challies: Q. Does the Commission pay the difference if there is a loss?

A. There is no loss.

Mr. Ellis: Q. You have always been able to earn a minimum of 4 per cent on your sinking funds which were invested?

A. And other reserves.

Q. What rate of interest was paid on the \$10,000,000 issue in January, 1935?

A. That issue was made, as I say, for the purpose of refunding \$8,000,000 of Dominion Power and Transmission Bonds and of putting us in funds for the payment of \$2,000,000 of Electrical Development bonds retiring March 1st, 1933. The price was  $3\frac{1}{2}$  per cent. The proceeds were shown in a return made in answer to a question by you, Mr. Ellis. That issue was made on the 1st of January at  $3\frac{1}{2}$  per cent on 8-year money payable half-yearly. It was sold at 103.127 and yielded 3.05 per cent. It replaced 5 per cent money, so that we saved practically 2 per cent.

Q. What rate of interest were you paying the Government?

A. A curious arrangement was made, and it was made by the former Commission so I am not responsible for it. But this arrangement was made that we pay on the advances from the Government a rate of interest corresponding to the average rate of interest in that year on all provincial bond issues. The rate would run from 4½ up as high on some issues after the war as 6¼ per cent. The average of all these issues would be at least 4½ per cent.

Q. What was the average you were earning on the investment of your sinking funds?

A. Four per cent.

Hon. Mr. Roebuck: Q. Do you know the average Government rate at that time?

A. I could get it, but it would be at least 4½ per cent.

Mr. Ellis: Q. The fact remains that your sinking fund is now down to approximately \$7,000,000?

- A. Yes, sir, and our debt is correspondingly down.
- Q. And the year prior to that it was approximately \$35,000,000, is that so?
- A. Yes.
- Q. Did you during the fiscal year 1936 take any moneys from your renewals fund?

HON. Mr. ROEBUCK: For Government purposes?

MR. ELLIS: Or for any purpose.

HON. Mr. ROEBUCK: I do not know that that is of interest here. We are not going into that.

MR. ELLIS: Then I will limit the question. Did you take any moneys from your renewals fund to pay the Provincial Government any moneys during the fiscal year, 1936?

- A. No, sir.
- Q. Did you take anything from your obsolescence and contingencies fund to pay the Government anything during the fiscal year 1936?
  - A. Our fiscal year 1936?
  - Q. Yes.
  - A. No.
- Q. Did you take anything from the miscellaneous reserves to pay the Government anything in the fiscal year 1936?
  - A. No, sir.
- Q. Do you think anything should be taken from the renewals fund for any purpose other than renewals and replacements of Hydro-Electric works and equipment?
- A. The renewals fund is not a statutory fund in the sense of the sinking fund. We are required by the Statutes to keep intact the sinking fund. The renewals fund, as you have seen here, and other funds, were depleted to temporarily retire bonds.
  - Q. When were they depleted, and to what extent?
  - A. To the extent of \$2,000,000.
- Q. You said a moment ago that nothing had been taken from the renewals fund.

A. This was by the old Government.

HON. MR. ROEBUCK: Ah ha!

MR. Ellis: That is perfectly all right, Mr. Attorney-General.

HON. Mr. ROEBUCK: It is all right now that your Government did it.

MR. ELLIS: Just a minute. I did not say it was all right. I said your laughter was perfectly all right, because I am going to get information about the matter and I am going to ask questions to bring it out just as you yourself would do.

HON. MR. ROEBUCK: All right.

MR. ELLIS: Q. In what year were moneys taken from the renewals fund, to what extent, and for what purpose?

- A. Sinking fund. \$2,000,000 of the sinking fund.
- Q. Taken in what year?
- A. They were paid over in January, 1933—January 1st.
- Q. In your opinion, should any moneys be taken from the renewals fund for any purpose other than renewals, replacements, obsolescence of the plant and equipment of the Hydro?

HON. MR. ROEBUCK: Q. Was that \$2,000,000 taken from the renewals fund?

Mr. Ellis: Yes.

WITNESS: From the sinking fund. Just a minute, and I will straighten that out. I said so a minute ago. I find it did not specify as between sinking fund and renewals. The item simply says that of the \$10,000,000 issue made on the 1st of January, 1935, \$2,000,000 were ear-marked to restore the reserve fund used temporarily in the retirement of the outstanding first mortgage 5 per cent bonds of the Electrical Development Company of Ontario, due March 1st, 1933. So that these bonds had been outstanding about a year and nine months, and the reserve fund had been temporarily depleted to that extent during that period.

MR. ELLIS: Q. What did you do with the \$2,000,000 when you got it back, and where did you put it?

A. In the fund.

- Q. In which particular fund did it go into, the obsolescence and contingencies fund or the renewals fund, or what fund?
- A. It certainly didn't go into obsolescence and contingency, because that was depleted very rapidly.

- Q. What did it go into?
- A. I can answer that question later. I cannot to-day.
- Q. Could you send out for the information now, as I do not want to bring you back if we can avoid it?
  - A. Yes.
  - Q. All corporations set up a reserve for depreciation, do they not?
  - A. Yes, sir, most of them.
  - Q. All properly managed corporations do?
  - A. Yes.
- Q. And, in the case of the Hydro, your reserve for depreciation, and so forth, is what you call your renewals reserves, is it not?
- A. Yes, although sometimes what they called Extraordinary Maintenance was in the old days levied against obsolescence and contingencies. We are not doing that. We abolished that.
- Q. In your opinion, should any portion of your renewals reserves be used for any purpose other than renewals of plant and equipment of the Hydro-Electric?
- A. I think temporarily, until the capital issues are met that renewals funds are quite proper funds from which to draw moneys for working capital.
  - Q. Which, however, in your opinion, will sooner or later be replaced?
  - A. Yes.
- Q. In other words, you agree with me that the renewals fund might be temporarily depleted but should nevertheless always remain intact for renewals, replacements, repairs to the plant and equipment of Hydro?
- A. Well, "intact" is too inclusive a word. You cannot deplete it if you are going to have it remain intact.
  - Q. I said "temporarily depleted."
  - A. Yes, the working capital.
- Q. But outside of those temporary depletions the renewals fund reserves in your opinion should remain intact for renewals, replacements and repairs to the plants and equipment of the Hydro?
  - A. As a book account.
  - Q. Well, as a matter of fact, what do you say?

- A. I agree that that should be the condition.
- Q. Are you familiar with Bill 75? I assume you are.
- A. What is Bill 75?
- Q. The Power Commission Act.

HON. MR. ROEBUCK: What is the purpose of that question?

MR. ELLIS: I am examining the witness with regard to the renewals reserves, and I asked him a question which follows very naturally,—Is he familiar with the Power Commission Act of 1937?

HON. MR. ROEBUCK: That is the Bill that is now before the House?

Mr. Ellis: Yes.

HON. MR. ROEBUCK: Well, he is familiar with it, I suppose.

Mr. Ellis: Q. Are you, Mr. Lyon?

- A. I do not know all of its provisions.
- Q. Do you mean to tell me that the Government have introduced the Power Commission Act of 1937 and you, as Chairman of the Commission, have not passed on it?
  - A. The Commission sent it forward.
  - Q. Then you are familiar with it?

HON. MR. ROEBUCK: Mr. Lyon means that he is not a lawyer. His end is not the legal end of this affair. He is perhaps unduly modest.

Mr. Ellis: Q. Did you agree to Bill 75 which is The Power Commission Act of 1937?

A. The Commission passed it on.

HON. MR. ROEBUCK: That is as far as you go.

MR. Ellis: No, it is not. Were you present when the Commission passed on it?

- A. Yes.
- Q. Then you are in favour of the Bill?

HON. MR. ROEBUCK: I object to that.

THE CHAIRMAN: I have allowed a lot of latitude, Mr. Ellis; do not abuse the privilege. The Public Accounts is not a Public Policy Committee.

Mr. Ellis: I want to ask a question.

HON. MR. ROEBUCK: Well, ask the question, go ahead.

MR. ELLIS: Q. One provision of the Bill is that the Commission may expend any of the renewals fund for any other purpose set out in this Bill and may deplete the renewals fund for any of the purposes set out in subsection 1 of the Bill?

HON. MR. ROEBUCK: I object to that very strenuously, Mr. Chairman. To begin with, the Bill shows that depletion is on account of the matters for which it has been reserved, not on any account, as one might take from what my friend says. My real objection is that this witness is not here to argue the merits of Bill 75.

THE CHAIRMAN: I think your objection is well taken, Mr. Attorney-General. I do not see how you can connect it with the item with which we are dealing, Mr. Ellis. If the question were allowed it would go on into far-away highways and by-ways.

MR. ELLIS: I would like to point out, Mr. Chairman, that there was enough money advanced by Hydro, and enough advances made by the Ontario Government to Hydro, and enough bonds of the Hydro guaranteed by the Province to warrant this inquiry being extended, and without restrictions, so that the Government of Ontario may know where it stands.

HON. MR. ROEBUCK: We are not placing any restrictions on the inquiry into these items, Mr. Chairman.

MR. ELLIS: You are limiting them.

HON. MR. ROEBUCK: There is no earthly reason why you should go into the Divorce Bill or The Workmen's Compensation Act, or matters that are before the Legislature.

Mr. Ellis: I am not going into the Divorce Bill or The Workmen's Compensation Act. I am dealing with the policy of the Hydro-Electric Power Commission.

HON. MR. ROEBUCK: You have no power to inquire into that in the Public Accounts Committee.

Mr. Ellis: Is my inquiry out of order? You are restricting me to this.

THE CHAIRMAN: We have allowed you considerable latitude, Mr. Ellis.

Mr. Ellis: What was the amount of the reserves for renewals as at the end of your fiscal year 1936?

WITNESS: That also is a figure that I have not got. It will be about \$2,800,000 more than the figure of 1935 which you will find on page 159 of the Report of 1935. At that time the Renewals Reserves stood at \$31,134,535.

- Q. What was the amount of your Obsolescence and Contingencies Fund as at the end of your fiscal year 1936?
- A. The net Obsolescence and Contingencies Fund of all systems as of October 31st, 1935, was \$6,323,278. There would be about one million to add to that for the year 1936.
  - Q. What was your Miscellaneous Reserve at the end of your fiscal year?
  - A. We have no heading of that sort.
  - Q. Have you not, in your 1935 report?
- A. Our reserves are all under these three headings, Sinking Fund, Renewals and Obsolescence.
- Q. Now, Mr. Lyon, what bonds of the Hydro-Electric guaranteed by the Province were outstanding at the end of your fiscal year 1936?
  - A. Whose fiscal year?
  - Q. The fiscal year of the Hydro.
- A. On October 31st, 1936, we owed the Government on bond issues \$162,357,109, but of that total amount \$7,168,019 had been advanced on account of the northern properties. Now that came about in a curious way. When this Commission came in in July, 1934, there were large outstanding sums owing on account of the Abitibi Canyon work. The Dominion Construction Company had a claim for \$3,217,316 largely because of uncompleted payments for the concrete work. The Canadian General Electric had an outstanding claim for \$1,644,338. There were various miscellaneous claims, dozens of them, totalling in all \$7,011,000. These claims were finally settled by payment of \$4,900,610. Now the moneys shown here as having been advanced on the northern properties by the Province to the Hydro were moneys used in the settlement of these claims very largely.
  - Q. Is that all you have to say on that?
  - A. Yes.
- Q. Come back to my question. What was the amount of bonds outstanding as at the end of your fiscal year, 1936, guaranteed by the Ontario Government?
  - A. \$162,357,109 on October 31st, 1936.
  - Q. Were any of those bonds sold by public tender?

- A. The Commission has sold no bonds except by public tender of its own. We do not know what the Government did.
  - Q. Any bonds you sold were sold by public tender?
  - A. Yes, sir.
  - Q. Why did you sell them by public tender?

HON. MR. ROEBUCK: That was their policy.

THE CHAIRMAN: Do not let us go into that, Mr. Ellis.

Mr. Ellis: It is a perfectly natural question. He said they sold them by public tender, but the Government sell them privately, and I want to know why they sold them by public tender.

HON. MR. ROEBUCK: This is not a National Committee.

Mr. Ellis: In some ways I am rather inclined to agree with the Attorney-General. However, am I prohibited from asking the question, Mr. Chairman?

THE CHAIRMAN: Yes, I think so.

MR. ELLIS: All right.

THE CHAIRMAN: Get Mr. Lyon outside and talk it over with him.

MR. Ellis: In connection with any questions I ask, I do not want to work sub rosa. They are for the public weal.

- O. Did you advertise the sale of your bonds in the public press?
- A. On one occasion; the other occasion we sent round to all people who would be likely to tender, by circular.
  - Q. And you believe you did the right thing?

HON. MR. ROEBUCK: I object; we are not going into questions of morals here.

THE CHAIRMAN: Even if the witness were not truthful and honest he would say Yes. He could not give any other answer. Besides, it has really nothing to do with the item we are dealing with.

MR. Ellis: Q. Have you now an answer to the question as to what disposition was made of the \$2,000,000 received from the bond issue of January, 1936?

A. It was restored to reserves. It had been taken out on May 1st, 1933, from the sinking fund reserves, and it was repaid to the sinking fund reserves on January 1st, 1935. Would you permit me, Mr. Ellis to make an explanation?

Mr. Ellis: If there is any explanation you would like to make, please do so.

WITNESS: I would like to recapitulate the totals showing the Commission's relations with the Government of Ontario.

The gross of time advances as at July 31st, 1934, were shown at \$207,250,258, of which there had been advanced in connection with Northern Ontario properties \$8,272,477. That is to say, the Government advanced on its own property, owned by itself, through Hydro to contractors and others \$8,272,477. So that the net amount owing as of January 31st, 1934, was \$198,977,780 on direct Hydro account.

Now that had been reduced as of March 1st, 1937. The figure of \$151,572,943 compared with the figure of \$207,250,258; the figure of \$7,168,019 as at March 1st, 1937, compared with the figure of \$8,272,477 as of July 31st, 1934, and the total net advance to the Hydro which as of July 31st, 1934, was \$198,977,780 had been reduced as of March 1st, 1937, to \$144,404,923.

Mr. Challies: Q. Then that is roughly \$54,000,000, is it not?

A. Yes.

THE CHAIRMAN: Q. When do you expect to clear off the balance?

MR. CHALLIES: Are there any requisitions—

Mr. Ellis: Mr. Lyon, you might answer the Chairman's question.

WITNESS: Well, I am over 70, you know.

Q. Have you any idea how long it will take?

A. We made a calculation some time ago that the Hydro-Electric Power Commission, if it continued to accumulate sinking funds as it is doing, would owe the Government nothing by 1966—thirty years from now.

Hon. Mr. Roebuck: Mr. Lyon, I suppose that is conditional upon this Government staying in office!

WITNESS: Well!

Mr. Ellis: I can only say, Mr. Attorney-General, that I am afraid your debt will be paid much earlier than 1966.

Q. Now, Mr. Lyon, is your sinking fund, in your hands at the present time, actuarily sound?

A. Yes, sir.

Q. And you have in your sinking fund sufficient moneys to meet your future liabilities with the Government on bonds?

A. Yes.

Mr. Ellis: That is all, Mr. Lyon.

By Hon. Mr. Roebuck: Q. Mr. Lyon, what is the purpose of the sinking fund?

- A. To retire at maturity bonds issued for the purpose of constructing new works of the Hydro—construction purposes.
  - O. Is it confined to new works?
- A. Yes, there are new works when you issue them from time to time. Some of them were issued twenty-five years ago.
- Q. "New" being works that are being constructed from time to time or have been constructed? That is to say, the Hydro owes a certain amount of money and it accumulates funds with which to retire that money as it falls due?
  - A. Yes.
  - Q. Various amounts fall due from time to time, large amounts?
- A. Oh, yes. You see, a sinking fund is not all a 40-year sinking fund. For example, in connection with new mining development there is the Rat Rapids development and the Ear Falls development, and the Rapids development retires the capital in ten years. It is rather a risky business. In the case of Ear Falls the retirement is fifteen years. So it would not be reasonable to say that the sinking fund was on a uniform 40-year basis, because it is not.
- Q. What you actually do is to retire a certain percentage of the receipts for the purpose of laying them up against the falling due of issues from time to time?
  - A. Yes, sir.
  - Q. Now there is no other purpose than that in the sinking fund?
  - A. No.
- Q. So that when you made these payments during the last year or more to the Government you were following out meticulously the very purpose for which the sinking fund is accumulated?
  - A. Yes.
- Q. Had you not paid off these various issues as they fell due, but retained the sinking fund on investment, would you have been following out the purpose of the sinking fund?
  - A. No; to the extent that we had a sinking fund.

- Q. To the extent that you had funds ready for the retirement of indebtedness, it was your duty to retire the indebtedness as the indebtedness fell due?
  - A. Yes.
- Q. Let us now see the advantages or disadvantages in doing that. You have stated that you retired or replaced 5 per cent money on one occasion by  $31_2$  per cent money. That was in connection with the \$10,000,000 bond issue, 8-year money. So that you saved  $1\frac{1}{2}$  per cent?
  - A. Yes.
- Q. You said the Hydro pays to the Government interest on the advances made by the Government to Hydro of at least  $4\frac{1}{2}$  per cent?
  - A. Yes, sir.
- Q. So that when you paid off that money borrowed at  $3\frac{1}{2}$  per cent you made a net gain of 1 per cent?
  - A. Yes, sir.
- Q. And that, I suppose, would amount to a very considerable sum of money?
  - A. On \$10,000,000—\$150,000 a year.
- Q. And that, however, applies to only one issue of \$10,000,000. Have you any figures to indicate how great is the saving applied to the whole amount? Have you any figures with you that would give any idea how great the savings have been during the last year or so by this method of financing and concerning which Mr. Ellis has been inquiring?
  - A. I think I gave the answer to Mr. Ellis. Did you get that in the papers?

MR. Ellis: I have not it here. I think you have it with your papers.

WITNESS: In the case of one bond issue which replaced a  $5\frac{1}{2}$  per cent issue we got the money for eight years at 2.65 per cent.

Hon. Mr. Roebuck: Q. Replacing 4½ per cent money?

- A.  $5\frac{1}{2}$  per cent. They were our own bonds, not Government bonds. Replacing Hydro bonds with new Hydro bonds.
- Q. So far as the Government is concerned, the policy that is now being followed, as I understand you, is to repay the advances to the Government as Government indebtedness incurred on Hydro's behalf falls due?
  - A. Yes, sir.

- Q. Does that indebtedness thereafter appear as against the Province of Ontario?
  - A. No.
- Q. And any refunding on the part of Hydro to obtain the money with which to pay Government advances is on Hydro's account?
  - A. A saving to Hydro.
  - O. The issue is Hydro, not Government issue?
  - A. All Hydro issue.
  - O. Then the direct indebtedness of the Province is reduced by that amount?
  - A. Yes, sir.
  - Q. And only the indirect debt affected?
  - A. Yes.
- Q. And the indirect debt is guaranteed by the Province, that is, of Hydro's indebtedness?
  - A. Yes, sir.
  - Q. Which is a very secure indebtedness?
  - A. Yes.
  - By Mr. Ellis: I would like to ask one or two more questions, Mr. Ellis.
- Q. How do you know what the Government does with the money which you turn over to it, take for example, the sum of \$24,000,000 paid in 1936?
- A. We saw that the portion of the money we turned over to the Government was applied to the reduction and extinguishment of the bond issue.
- Q. And the balance was paid on the direct advances made by the Province to the Hydro, was it not?
  - A. On the direct advances to the Hydro we were paying only interest.
  - Q. You only paid interest on that?
- A. Yes. We are not any longer paying sinking fund moneys year by year to the Government. We are meeting the Hydro's proportion of all bonds issued of the Province of Ontario that were originally marked for Hydro's purpose.
- Q. But you were paying something back, and you did pay something back to the Province on the direct advances made by the Province to Hydro?

- A. Well, the moneys that we paid in wiping out these bond issues were payments on direct advances by the Government to the Hydro, no other form.
- Q. Am I correct in this, that the advances made by the Government were made from the proceeds of bond issues which the Government issued, and as those fell due you repaid to the Government?
  - A. Yes.
  - Q. Your share to meet the bonds as they came due?
  - A. Yes.

HON. MR. ROEBUCK: That is the policy now.

Mr. Ellis: That was not the policy in the past?

HON. MR. ROEBUCK: No.

MR. ELLIS: Q. I am not clear on one point. I would like to get from you the exact amount of outstanding bonds guaranteed by the Province up to October 31st, 1936.

- A. \$113,000,000, I think.
- Q. I would like to have the figures given accurately.
- A. No, the \$113,000,000 was the item that I was sent to speak about, but some parts of that were not Hydro money. It was generally Province of Ontario money. The indirect liabilities and guarantees of the Province of Ontario to Hydro total \$98,638,155.
  - Q. As of what date?
  - A. As of the present time, to-day.

MR. Ellis: That is all.

By Hon. Mr. Henry: Q. I am not clear on that. The amount of money owed to the Government by Hydro is \$114,000,000?

- A. Yes.
- Q. That is a direct liability?
- A. Plus about \$7,000,000 odd.
- Q. That is with reference to the northern properties?
- A. Yes.
- Q. But with the Hydro property about \$144,000,000?

- A. Yes.
- Q. The indirect liabilities are \$98,000,000?
- A. \$98,000,000.
- Q. That is above that?
- A. Above that, yes. Hydro bonds.
- Q. Then there is a liability, as far as the Province is concerned, in money advanced or guaranteed, to the extent of \$242,000,000?
  - A. Yes, if we cannot pay our debts?
  - Q. I am not questioning that, but that is what the figures are?
  - A. Yes.
- Q. So that in the gross debt of the Province there is the sum of \$242,000,000 in round figures which is chargeable to Hydro?
- A. Except that there again one must take from that sum the money spent on the northern property. For example, the first item I find here of debentures issued by the Commission, the first debentures issued without any Government backing, were issued for the Ontario Power Service Corporation bonds, \$17,626,950. That is an indirect liability of the Province, and we are reissuing that money because we are paying it off very soon and issuing it at a rate of interest considerably less.

The next item is \$13,000,000, Dominion Power and Transmission bonds issued in 1930 for 40 years at  $4\frac{3}{4}$  per cent. We reissued since we came in for the same company \$8,000,000. That is \$21,000,000 of an indirect liability on the Dominion Power & Transmission.

Then the Ontario Power Company had 40-year bonds issued which do not come in until 1957. There was \$8,000,000 of that issue. Then they had 20-year securities which come in in 1941, amounting to \$3,200,000. That makes \$11,200,000 to the Ontario Power Company.

Then the Toronto Power Company. This was in the clean-up, you see. There were three issues: \$413,200, \$4,000,000, coming in in 1939, and \$9,000,000 coming in in 1941.

Then there were some \$6,000,000 in all issued by the Hydro in connection with the Sandwich, Windsor and Amherstburg Railway. While we nominally pay interest on these bonds, that obligation had been assumed by the Government and is an obligation to-day of the Government of Ontario. We pay the interest and recoup ourselves from the Government in connection with Sir Adam's radial railways. There was \$1,200,000 of an issue, and they are pledged on security for a bank loan of half a million dollars. That has never been cleared up. It should be.

In connection with the Toronto & York Radial Railway we hold their bonds for \$2,375,000, but, as against that, the City of Toronto deposited its bonds, and we clip coupons on the Toronto bonds and with these coupons pay the coupons on the York Radial. So that really while it is nominally an obligation of the Hydro it is an obligation of the City of Toronto.

Then for the purposes of the Commission we issued in 1935 \$15,000,000, a large part of which was put into the completion of the northern properties, and that stands as an indirect liability of the Province.

Then we issued certain bonds of these companies. In addition to their debenture stock, and so on, we issued bonds of the Ontario Power Company to the amount of \$7,680,000, and they are due in 1943. We pay interest on them.

The Ontario Transmission Company, \$1,221,000, first mortgage 5 per cent gold bonds due in 1945. We have to pay interest on that.

The next is an item of \$2,000,000 for the restoration of reserve funds due in 1943.

Those items make up a total indirect obligation of the Province of Ontario of \$98,638,155, but it is mostly all represented by works acquired for the purpose of the Commission and revenue-producing works.

Hon. Mr. Henry: Q. But there are \$144,000,000?

- A. Of the original advances.
- Q. That is the original advances dealing with Hydro proper?
- A. Yes.
- Q. Then there is \$7,000,000?
- A. Yes. That was paid out for the completion of the Northern work, the Abitibi.
- Q. Satisfying claimants in connection with the construction of the Abitibi Canyon?
  - A. Yes.
  - Q. That is not included in the \$98,000,000?
  - A. No.
  - Q. Then it is really \$151,000,000 plus \$98,000,000?
- A. It is really \$144,404,923 plus \$7,168,019. I do not want to say "plus \$98,000,000" because some of these are cross entries; they are not obligations of Hydro at all. The Toronto bonds, for example, and the Sandwich, Windsor

- & Amherstburg Railway. There are \$6,000,000 there that we are under no obligation to pay at all.
- Q. But it enters into the gross obligations of the Province for the time being?
  - A. Oh, yes.
  - Q. And there is a contra statement of how much?
- A. Well, I was giving the figures, \$144,404,923, that is at March 1st, 1937; northern properties advances \$7,168,019, then indirect obligations of the Province in the form of guaranteed Hydro issues, some of which have become direct issues of the Province because of the resumption of the Sandwich, Windsor Railway, \$98,638,155. As against all these advances the Hydro has assets of about \$333,000,000.
- Q. I am not questioning that part of it, but there is \$249,000,000 that enters into gross debt of the Province?
  - A. No.
  - Q. On account of Hydro?
  - A. No.
  - Q. Direct and indirect?
  - A. Well, indirect liability.
- Q. Well, the gross debt of the Province includes, to my mind, all the indirect liabilities of various other bodies that have power to issue debentures under guarantee?
  - A. Quite right.
- Q. How much is the item in connection with the bonds of the City of Toronto dealing with the purchase of the Toronto & York Radial?
  - A. \$2,375,000.
- Q. What other securities do you hold to offset the obligations of Hydro, particularly in the amount of \$98,000,000 that you are discussing?
- A. Well, we have the securities of the Sandwich, Windsor & Amherstburg Railway, which is not as prosperous as it could be.
  - O. How much is that?

THE CHAIRMAN: Ten cents.

HON. MR. ROEBUCK: But not quite as bad as the Hamilton one.

WITNESS: About \$5,700,000. The Province of Ontario pays the interest. It is the Province's affair, not ours.

HON. MR. HENRY: Q. Is there any other in which you have real assets similar to the bonds of the City of Toronto in relation to the purchase of the York Radial?

- A. We think there is some value in the Dominion Transmission bonds.
- O. How much would that be?
- A. The issue that is out at the present time is \$21,000,000. We tried to sell the Hamilton Railway the other day. It is down in our books for \$3,250,000, and they wouldn't give us anything for it.

Mr. Ellis: Why have you got it down in your books at \$3,000,000 odd?

A. Because that is what was paid for it.

HON. Mr. Henry: That was the valuation on which the purchase was made.

HON. MR. ROEBUCK: Yes, those are the actual figures at the time.

Hon. Mr. Henry: Q. Then there is \$249,000,000 of the gross debt of this Province that is attributable to Hydro in one form or another?

- A. Direct or indirect. And of that, \$32,000,000 are invested by Hydro directly or indirectly in the northern Ontario properties for which they have no financial obligation whatsoever. If these properties make money, the Province of Ontario gets money; if they lose, the Province loses. So that we can cut off \$32,000,000 of that figure as really a direct obligation of the Province of Ontario.
- Q. In regard to the Dominion Power and Transmission Company, just what assets are there, what is there in the nature of a contra asset?
- A. We have the DeCew Falls; and the distribution system in Hamilton, Brantford and St. Catharines, which we afterwards sold back to the municipalities. In the case of Guelph we have \$300,000 of the debentures of Guelph that we could cash in on if the Guelph Railway went to pieces. But the assets represented by that \$98,000,000 are almost altogether in the form of operating plant which is earning its keep.
- Q. I was not thinking so much about the values as to find out what there is in the way of cross entries to take care of the obligation, such as you have in the bonds of the City of Toronto in relation to the York Radial. Are there any others similar to that?
- A. You see, there are bonds of the Ontario Power Company and the Toronto Power Company, and these other companies, which we must take care of when they become due, and we provided sinking funds to liquidate these moneys from the earnings of the system. I would assume that the properties are really

the only thing from which we can pay these debts as they mature, from the earnings of the Province.

- Q. There is no other similar entry to the cross entry of the bonds of the City of Toronto in relation to the York Radial?
  - A. No.
  - O. You fall back on the assets?
- A. Yes, except in the case of the Sandwich, Windsor & Amherstburg Railway which the Government has issued.
- Q. I am not holding the Commission responsible for that, but it is an obligation which really originated with the Hydro?
- A. Yes. Of course, in the case of the St. Catharines Railway, a similar thing existed. You remember that that went to the Privy Council. These municipalities put up their bonds, and when the railway did not go on there had been about \$1,200,000 spent.
  - Q. On the radial?
- A. Yes. And the municipalities tried to get out of repayment of these bonds. They asked to have these bonds handed back to them. The Privy Council, to which the case went in the end, decided that the municipalities were responsible for the payment of the moneys on these bonds. Now, that is a cross entry, such as the Toronto Railway, to the extent of about \$1,200,000.

MR. Ellis: I would like to ask a question.

By Hon. Mr. Roebuck: I thought you had finished. Now you are going off on some other question. I want to clear up some things here. Mr. Henry asked you with regard to the assets of the D. P. & T. which backed the liability incurred on behalf of the D. P. & T. Would you mind giving me in more detail, to begin with, what was the liability occasioned by the purchase of D. P. & T.

- A. \$21,000,000.
- Q. What have you against that \$21,000,000 by way of assets?
- A. They sold the distribution system in Hamilton for, I think, a little under one million and a half. The railway tracks of the suburban system are almost all taken up. The suburban system is a dead loss. We got a little bit for the right-of-way and some of the scrap belonging to the railway.
  - Q. How much would that all amount to?
- A. Oh, I couldn't offer an estimate. We are still trying to sell it. Not more than a quarter of a million.

- Q. \$250,000?
- A. And we have the DeCew Falls station.
- Q. Have you any valuation on that?
- A. I think it is impossible to segregate these, Mr. Roebuck, at the moment. They are under three or four headings, you see, so much for lines, so much for the stations themselves and so much for the buildings and the franchise.
- Q. Could you give me a summary? Perhaps it would take too long to go into the details, but can you from your memory give me a valuation of the assets in toto as compared with the liability of \$21,000,000?
- A. Well, we are building stations now on a capital value of from \$100 to \$120 a horsepower, 54,000 nominal capacity in the DeCew Falls. That would be \$5,400,000 plus one-fifth. \$7,000,000 would be a high price.
- Q. \$7,000,000 would be a high price for DeCew Falls, and then there was one million and a half on the distribution system?
- A. And we have the Lincoln distribution system which supplies power to retailers in Grimsby, Beamsville and a number of places in the Peninsula. I don't suppose it is worth more than a million dollars altogether.
  - Q. What about the Hamilton Railway?
  - A. It is now booked at \$3,230,000.
  - Q. And you can't give it away?
  - A. I wouldn't like to say that.

HON. MR. HENRY: Of course he wouldn't. You wouldn't give it away?

WITNESS: We have raised the fares again and it is earning interest.

HON. MR. ROEBUCK: Q. It is now doing better?

- A. Yes. I do not want the Hamilton people to think that we are going to give that railway away.
  - Q. Not when we paid \$3,000,000 for it. Would you take \$3,000,000 for it?
  - A. Wait until you see.
  - Q. Then there is the Brantford radial.
- A. We really haven't made any money out of these radials; they are just a total loss. Guelph recoups us for the loss on the Guelph system.
  - Q. So I suppose \$10,000,000 would be an outside estimate—

Mr. Challies: Just there, Mr. Attorney-General—

HON. Mr. HENRY: Wait until he asks his question.

HON. Mr. ROEBUCK: \$9,000,000 would cover it?

A. Physical assets.

Q. For which we have paid \$21,000,000?

A. There might be a franchise value there; I don't know.

Mr. Elgie: Mr. Ellis had already got up to more than that.

HON. MR. ROEBUCK: Oh, no. He had \$7,000,000, \$1,500,000, \$250,000 for the distribution system, and \$1,000,000 on the Lincoln road.

MR. ELGIE: That is ten and a half million.

HON. MR. ROEBUCK: It is only nine and a half million.

WITNESS: You must remember that \$120 a horsepower is the price of a new system.

HON. Mr. ROEBUCK: Quite so. \$7,000,000, Mr. Lyon said was a very high estimate on the value of DeCew Falls. That leaves, therefore, a considerable deficiency in assets as behind the indirect liability which the Province bears for the DeCew plant. Does such a condition exist in any of the other purchases?

Mr. Challies: Before you leave that, might I ask the Chairman of the Commission: You say the physical value of the DeCew Falls is worth so much?

A. Yes.

Q. Is there not a value over and above that due to the fact that you have cleaned up a situation in that area of 60-cycle power on a 25-cycle system? In other words, you are getting a unification of your distribution cycles?

A. I think that is true, sir, but one would hesitate to put—.

Q. But when you are putting up the assets against the amount paid, that should be included, plus the fact that at the time it was taken over there were negotiations for further diversion of Niagara power which would logically have gone to DeCew Falls, and which would have made the plant then of a much larger material value. That should be included in the amount that the Attorney General set up as the amount of the assets of the Dominion Power and Transmission Company.

By Hon. Mr. Roebuck: Have you an answer to make to that, Mr. Lyon?

WITNESS: I would just say this to Mr. Challies; that these things are conditional values that may never eventuate. For example, take the additional

possibility of generation at DeCew Falls; we depend absolutely on a treaty with the United States to increase the generation at DeCew Falls, and we do not know whether we will ever get it. We cannot put very much value on a thing like that.

HON. MR. ROEBUCK: Q. On the other hand, Mr. Lyon, did the taking over of the distribution system in Hamilton down to Oakville, and so on, where they are running on 60 cycles, cost the Hydro anything to change over to 25 cycles?

- A. Yes, it is still costing us money.
- Q. Can you give us an estimate of what that has cost?
- A. I think the preliminary estimate of the change at Hamilton in connection with domestic alone was over \$250,000.
- Q. That was just in Hamilton, \$250,000 to get away from 60 cycles and get into 25 cycles, and the end is not yet. You are still paying all down through Oakville as far as Burlington?
  - A. The landward part of Hamilton.
- Q. You are paying on machines that were run on 60 cycles to supply 25 cycles now, to say nothing about the transformers and all that sort of thing. Outside, therefore, of the deficiency, whatever it may be, in connection with the D. P. & T. purchase—setting that aside for the moment—is there any other division of finance in which there is not an asset equal to the indirect liability incurred?
- A. I would not say so. I would think that the clean-up cost Toronto and the Hydro Commission four or five million dollars more than the real value.
- Q. All right. Let us stand the clean-up aside. In every other instance where there is an indirect liability on the part of the Province is there a corresponding equivalent or greater asset held by the Hydro by way of offset?
  - A. I think that is so.
- Q. And the grand total of all the assets of the Hydro, as offsetting this amount of \$98,638,000 of indirect liability is, you say, some \$333,000,000?
  - A. \$333,000,000.
  - Q. On what basis of valuation?
  - A. First cost of plant, plus additions at cost.
  - Q. And write off?
- A. That includes the amount that we have accumulated as against these debts. It would be an accumulated reserve of about \$82,000,000 this year.

- Q. So that any depreciation is more than offset by renewals, obsolescence and contingencies reserves, and so on, with regard to the \$98,000,000. What portion of that indirect liability has been created since 1934?
- A. \$15,000,000 by bond issue, 1935, and \$10,000,000 on the first of January, 1935. These are direct issues. These are new liabilities created.

Mr. Ellis: Q. Was the \$10,000,000 for 1935 or 1936?

A. January 1st, 1935, \$10,000,000. No, that must be for the purpose of the Commission, 5-year 2½ per cent bonds, due 1st March, 1941. That is the \$15,000,000. That does not give the date of issue.

HON. MR. ROEBUCK: It does not matter about the issue.

WITNESS: They were 5-year bonds. It would be March 1st, 1936, instead of 1935. \$25,000,000 is the only issue we have made.

HON. MR. ROEBUCK: Q. \$25,000,000 is what has been added to the indirect liability of the Province during the time this Commission has been in office?

## A. Yes.

- Q. And as against that indirect liability there has been the payment of a corresponding direct liability?
- A. These are not direct liabilities of the Province. We have issued nothing at all as a direct liability of the Province of Ontario. All these moneys out of the \$25,000,000 are only indirect liabilities because of the Province guaranteeing Hydro issues.
- Q. Then I ask you further, is it not a fact that for every dollar of indirect liability created there has been retired a direct liability?

## A. Yes.

Mr. Ellis: Q. What were your total reserves as of October 31st, 1935, and as of October 31st, 1936?

- A. As I have said, Mr. Ellis, we are not really through yet and will not be for a week.
- Q. You can tell us accurately as of October 31st, 1935, and you can give an estimate as of October 31st, 1936?
  - A. Yes, sir.
  - Q. Give us the total reserves.
- A. I have got to total them up. Reserves for Renewals, \$31,134,535 as of October 31st, 1935. Obsolescence and Contingencies Reserves, all systems, balance as of October 31st, 1935, \$6,323,278. Sinking Fund Reserves, balance

as of October 31st, 1935, \$35,121,754. Now the sum of those represents the reserves.

MR. Challies points out that at page XVII of the Hydro Report of 1935 the reserves for all systems including Northern Ontario properties are not included in that first one—\$74,055,189.

- Q. What do you estimate the total reserves would be as of October 31st, 1936?
  - A. An accretion of almost \$9,000,000.
- Q. Less \$24,000,000 taken out of the reserves in 1936 to pay the Provincial Government?
  - A. Yes.
  - Q. Less the \$24,000,000 paid by the Hydro to the Government in 1936?
  - A. Yes.

By Mr. Henry: Q. With regard to the D. P. & T. purchase you gave Mr. Roebuck the figure of \$7,000,000 as the value of the DeCew plant.

- A. Well, I put it this way; that we are getting 54,000 horsepower out of it.
- O. Yes.
- A. And we are building plants that run from \$100 to \$120 per horsepower, capital value on new plants.
- Q. But there is the possibility there with the water you now have available of a peak of 200,000?
  - A. No.
  - Q. Do you say "No"?

HON. MR. ROEBUCK: You can make the peak as high as you like if you make it short enough.

WITNESS: That would be less than four hours a day.

Hon. Mr. Henry: Q. The D. P. & T. was partly purchased because of the value of the DeCew plant. That is not based on 54,000 but on 200,000?

A. Yes.

Q. And I might point out to you further that your Federal Commission have referred to it in the House as practically one of the immediate possibilities to take care of the increasing load. Is there not any value to that?

- A. The moment you put it to peak purchases you are taking away water that would earn money for 24 hours a day, and the difference between the value of the peak plant running 150,000 for four hours or 54,000 for 24 hours, or as long as you needed it, would be a matter for expert calculation.
  - Q. Or a matter of 200,000 for three hours?
  - A. It would not be an awful lot of money.
- Q. It gives you the possibility of selling 200,000 or 150,000. Let us take the 200,000; it gives you the possibility of selling in the system 200,000 or 150,000 more, because you can take care of it as a peak proposition?
- A. I do not agree with that altogether, Mr. Henry, for this reason; that a considerable amount of the output of the Commission's plant is at will or interruptable power. What you get out of a peak plant is not net gain because you have to take care of a lot of these very cheap customers, customers who are getting power, many of them, as low as \$6.00 a horsepower per year, and if you did not have these you would not need the peak, you would have margin enough in your ordinary production to carry the peak or firm customers. And the peak that you are taking care of with the DeCew Falls, if we ever put it to that use, would be very largely a thing like the thing at Niagara.
- Q. May I illustrate what I mean? Let us say the Niagara system has a firm contract of 1,200,000. Now you know that there is a certain variation, and your problem is always to take care of your peak, and if you introduce 150,000 more horsepower you could with confidence sell more? I am not talking about these off peaks or the secondary sale of power that you are not going to use.
- A. Theoretically you can sell more and the peak power is of value in that respect, but your limitation is this; that many people are engaged in businesses in which they cannot pay the high price for firm power, and what seems to be power that you can drop when approaching your peak, and so catch it, really becomes firm power in essence. While you are getting \$6 and \$7 a horsepower, these people expect to be continued in the use of that power. We have it every day, people coming along and saying, "You must not cut off the power from our factory, we are running a regular business." But we say, "You are only paying us for will power to be given when we are not on the peak." If we did that sort of thing and cut off their power when we were not on the peak they would squeal just as loudly as if they were paying firm power prices. So that 150,000 on the peak does not mean the possibility of selling 150,000 more on the firm peak at all.
- Q. I have always understood it did, because, after all, it is not a matter of industry producing a peak, it is the domestic load that creates your problem in November, December and January of every year?
- A. Domestic load is only a quarter of the whole output of the Hydro system.
  - Q. Yes, but how much does it vary over the year?

- A. It does not vary very much, it is a pretty firm load.
- Q. Do you tell me that the domestic load in June is the same as it is in December?
- A. No, but there is very much less difference between the domestic load in June and December than there is between the commercial load in those months.

HON. MR. ROEBUCK: It is the best load we have?

A. Yes.

HON. MR. HENRY: In June you have practically no load at all for lighting, while it is a continuous load in December.

- A. Take for example in the small cities in this Province, the stove loads are in the middle of the day. The stove loads in larger cities like Hamilton, Toronto and Ottawa are night stove loads because the people live so far from their work that they cannot get home to the middle of the day meal. And we find in the Georgian Bay system, for example, that the peaks are not in December, the peaks are when the summer cottagers are up there and when the people are using their stoves for meals in the middle of the day. While it is not true of the Niagara system, it is true that the domestic load is the steadier load than any other.
  - Q. What is the variation on an average between June and December?
- A. I would say that the domestic load goes down to six hundred and fifty and goes up to seven hundred and fifty.
  - Q. The commercial is largely for lighting purposes?
  - A. The bulk of the factories are in Hamilton.
- Q. I am talking about a load that is apt to vary because of daylight or the lack of it.
- A. There are a lot of elements coming into it all the time. Take the 8-hour day; we find that the 8-hour day cuts an hour off the working time of many factories at night, from six to five, and for two or three months that takes away the possibility of a peak at that time. The peak under the old days when factories were working until six o'clock was between five and six o'clock. Now the factories close and the power that was used for the factories goes into street lighting, stove loads and things of that sort. So that there is a modification all the time of the elements that enter into peaks.

Mr. Challes: You say you are building plants of 125 horsepower. That is the figure on the installed capacity.

A. Yes. Take Shaw Falls-

- Q. That is the installed capacity. Why do you use that figure to calculate the value of DeCew Falls when you say that the firm load would be 54,000?
- A. The present capacity is the installed capacity. That is what we get out of it.
  - O. 54,000?
  - A. Yes.
  - O. That is all, installed?
  - A. I think there is nominally 60,000.

HON. MR. ROEBUCK: We do not get 60,000 out of it.

Mr. Jeffery: 55,000. We have a steam plant and we have a motor generator there.

Mr. Challies: Q. You were using the steam plant in the last twelve months?

Mr. Jeffery: Yes.

MR. CHALLIES: Q. You also say, Mr. Lyon, that those who are on a restricted meter load complain seriously when you put them off the peak, but you left the inference that you let them carry on?

WITNESS: As a matter of fact, we do.

- Q. Do you give them the restricted load price?
- A. We are giving power to some of these people over at Niagara for \$6 and \$8 a year. They really ought to pay \$18 for it. We did, for example, to Mr. Smoon in the spring of 1936. We spent between \$500,000 and \$600,000 carrying on Mr. Smoon's steam boilers for which we were getting about \$2.50 a horsepower a year, and we were paying for that same power about \$15. That was just to prevent him from closing his factory.
  - O. You are not doing that now?
  - A. No, we didn't do it a day longer than we could help.
- Q. Therefore, what has been your loss between 1933, 1934 and 1935 because of the non-sale of secondary power—could you estimate that?

HON. MR. ROEBUCK: Mr. Lyon has not come prepared to talk on the secondary sale of power.

MR. CHALLIES: It just goes to show this Mr. Attorney-General, that if we had had the engineers here that we wanted to have two years ago a number of these points would have been cleared up, but you refused us access to that

information. Here you have a so-called public utility with a fence around it. It is harder to get information concerning it than if it were a private utility.

HON. MR. ROEBUCK: Mr. Chairman, there has never been a time when information was easier to get than it is at the present time. Your questions, Mr. Challies, are all answered in the House. Practically none of them are ref sed except when you want to go into engineers' reports that are really confidential and should not be given to our opponents, or when you ask for the details of a lawsuit in progress. There is not a thing that you have ever asked for, other than that, that has not been answered. Every document is tabled that you have asked for and our new arrangements are all explained from start to finish, and I think it is altogether wrong, and my friend knows it, when he suggests that there is anything dark or secret or covered up in the management of Hydro. It is as open as the day.

Mr. Challies: I would ask the Attorney-General to mention one thing we have had. That is the easiest way to settle this question.

HON. MR. ROEBUCK: No; give me one that you have not had.

Mr. Challies: There are reports from Mr. Lewis Duncan.

HON. MR. ROEBUCK: There are reports from some engineers on prospective work of the Hydro, and we propose not to make them public. There are legal reports as to the legal rights of Hydro which we do not propose to make public, but you have done your best to force us to give to our opponents what is not in the public interest, and we are not going to be forced in that way.

With regard to the operation of Hydro, the matter is wide open and always has been since we came into office.

Mr. Ellis: Were our opponents in issue with regard to the running of Hydro, Mr. Attorney-General?

HON. Mr. ROEBUCK: You have not heard about them?

Mr. Ellis: To whom do you refer?

HON. MR. ROEBUCK: We have had three or four lawsuits in progress in the last few years. I thought you knew about them.

Mr. Ellis: I did not know what you meant by the word "opponents."

Hon. Mr. Roebuck: We have not only opponents at law, but other opponents.

Mr. Duckworth: Mr. Chairman, Mr. Lyon said that the Hamilton Street Railway was practically of no value, and he also stated—

HON. MR. ROEBUCK: He did not use those words. He said it was of very much less value than we paid for it.

MR. DUCKWORTH: Well, put it that way. Then he says that the Sandwich, Windsor & Amherstburg Railway or the Chairman said it was not worth tencents.

WITNESS: I did not say that.

MR. DUCKWORTH: The Chairman said that. We want to find this out; was it not the idea of Sir Adam Beck when he first struck out to establish Hydro to buy up all these plants and put them into one unit as we have them to-day? That being the fact—

HON, MR. ROEBUCK: It is not a fact.

MR. DUCKWORTH: Pardon me. I am not trying to embarrass anybody, it is a point I would like to know about. These plants were bought for the purpose of uniting all units of Hydro so as to get control of all the power in the Province.

HON. Mr. ROEBUCK: Do you know how much Sir Adam Beck offered for this?

MR. DUCKWORTH: That is not the point. The point is that these plants were practically no good. Are they not of value as they are to-day being operated under the Hydro and the power being sold to people who live in Hamilton?

HON. MR. ROEBUCK: You are making a speech.

MR. DUCKWORTH: Am I not right? Provided these plants had not been sold to the Hydro, provided the companies refused to sell them, then the Hydro would not be controlling the Hamilton Electric, and the Hydro would not be controlling the Windsor Railway, would they? They would have provided plants themselves independent of the Hydro, is that not right?

HON. MR. ROEBUCK: Well, Sir Adam Beck had that idea.

MR. DUCKWORTH: Is that not right?

The Chairman: Will you answer the question, Mr. Lyon?

WITNESS: I am afraid I can't.

HON. MR. ROEBUCK: I think we have had enough of this roaming about.

MR. DUCKWORTH: I would like an answer, Mr. Chairman.

HON. MR. ROEBUCK: You did not bring out anything, because you talked so fast nobody could understand your question.

MR. DUCKWORTH: I want to find out if they are not worth anything.

THE CHAIRMAN: I do not think anyone in this Committee Room could

truthfully and honestly tell what was running in Sir Adam Beck's mind in those days.

HON. MR. ROEBUCK: Except by his action, and he refused to pay \$9,000,000 for this bunch of junk for which later on was paid the sum of \$21,000,000.

RICHARD THOMAS JEFFERY, sworn. Examined by Mr. Ellis:

- Q. What position do you hold with the Hydro-Electric, Mr. Jeffery?
- A. My title is Chief Municipal Engineer.
- Q. Are you permanently employed or employed on a day to day basis?
- A. I am permanently employed.
- Q. Were you one of those employees who a year or two ago was employed on a day to day basis?

HON. Mr. ROEBUCK: No, I object to that question.

THE CHAIRMAN: Mr. Ellis, I allowed a lot of latitude previously, because of the difference in the ending of the fiscal years, and when we got outside of the strict limits of the inquiry replies were necessary. Now that we have had a full dress debate on Hydro let us get down to Public Accounts and get on with these items.

MR. Ellis: I conclude, Mr. Chairman, that you rule the question out of order?

THE CHAIRMAN: Yes.

MR. Ellis: Q. What is the present power developed at Niagara?

HON. MR. ROEBUCK: I object. We are not going to have a roving Commission.

THE CHAIRMAN: Objection upheld.

Mr. Ellis: Q. What percentage of reserve power have you at the present time?

HON. MR. ROEBUCK: I object.

THE CHAIRMAN: Objection upheld.

MR. Ellis: Q. What further developments has the Hydro-Electric Power Commission in mind?

HON. MR. ROEBUCK: I object. You have asked that question in the House, it is on the Order paper and will be properly answered.

Mr. Ellis: I might only make this comment, Mr. Chairman, that, as I said before, the Provincial Government have made direct advances to the Hydro amounting to a great deal of money, they have also guaranteed bonds of the Hydro representing a great deal of money, and I submit as Members of the Legislature the people of Ontario are entitled to this information.

HON. MR. ROEBUCK: Ask for a Commission of Inquiry into Hydro in the House.

Mr. Ellis: If the Attorney-General will agree to a public inquiry, I have no further questions to ask.

HON. MR. ROEBUCK: I will not, but your right is to move in the House for a public inquiry if you doubt the solvency of Hydro.

MR. ELLIS: Would you agree to a public inquiry of that kind?

HON. MR. ROEBUCK: I would hear what you have to say about it in the House.

MR. Ellis: Would you agree to it?

HON. MR. ROEBUCK: No, I would not.

Hon. Mr. Henry: He just said now that he would not.

HON. MR. ROEBUCK: I will hear what he has to say in the House.

MR. ELLIS: Mr. Chairman, the object of producing Mr. Jeffery here as a witness was to very frankly go into all the affairs of Hydro to ascertain the available power to-day, the reserves as well as the reserves we had when the Quebec contracts were cancelled and to have a complete and full investigation into all the matters relating to Hydro so that both the Members of the Legislature and the people of Ontario would know exactly where Hydro stands. If I am to be prohibited from asking these questions, I would like a ruling from the Chairman.

THE CHAIRMAN: My ruling is that you are confined strictly to the wording of the resolution, and I do not think that comes within it.

MR. Ellis: Then, very obviously, I have no questions to ask the witness.

MR. CHALLIES: May we emphasize the fact that we are in this unfortunate position; that we cannot deal with the Public Accounts of 1936 as the Hydro year ends on October 31st, 1936, and the figures will not be down to the House before it adjourns. Consequently we will have to come back in 1938 and deal with something that happened in 1935 and 1936.

THE CHAIRMAN: I will allow anything dealing with the Public Accounts, but certainly we are not going to sit and deal with the general policy of Hydro,

the amount of reserves, and all that sort of thing, because this is not the proper forum for an investigation of that kind. We are merely dealing with expenditures of public moneys.

HON. MR. ROEBUCK: Mr. Chairman, may I point out that we have allowed discussion of matters to the very end of 1936, and questions have been asked and answered with regard to these matters. It never was done in Public Accounts before.

Mr. Challies: How do you know?

Hon. Mr. Roebuck: I know all about it. I know a lot about how you handled the Public Accounts. You would not even give the salaries of your Chief Engineers.

The Chairman: I may tell you, Mr. Challies,—I want to be fair—I asked Mr. Hipel and he told me he was in the Public Accounts under the old Government and wanted to step outside of the period of one year, but was shut off instantly without any rhyme or reason. He was allowed no latitude whatever, the Chairman just simply ruled him out of order.

MR. ELLIS: Do you think that was right, Mr. Chairman?

THE CHAIRMAN: Well, I do not like doing that, and we certainly have not done it here.

MR. Ellis: Very candidly I do not think it was right and never have thought so.

HON. MR. ROEBUCK: You will think so if you are ever in office again.

MR. Ellis: I do not think so.

THE CHAIRMAN: We allowed latitude this morning outside of the resolution. I cannot see that we have any authority to deal with matters outside of the resolution.

HON. MR. ROEBUCK: I move that the Committee adjourn to meet again, at what date?

Mr. Ellis: At the next Committee I should like to have summoned Mr. Chester S. Walters, and whatever date is suitable to the Committee will be agreeable to me, and the sooner the better.

HON. MR. ROEBUCK: Have you any suggestion, Mr. Ellis, as to when it would be convenient for you?

MR. Ellis: Monday or Tuesday.

THE CHAIRMAN: Tuesday is Private Bills.

HON. MR. ROEBUCK: Apparently Wednesday will be the earliest date convenient.

Mr. Ellis: Wednesday will be agreeable, at 10.30.

THE CHAIRMAN: The Committee will stand adjourned until Wednesday, March 17th, at 10.30 a.m.

Whereupon the Committee adjourned at 1.15 p.m. until 10.30 a.m., March 17th, 1937.

## FOURTH SITTING

Parliament Buildings, Toronto, March 17th, 1937, at 10.30 a.m.

THE CHAIRMAN: If you will come to order, gentlemen, the Secretary will call the roll.

The Secretary called the roll of Members.

THE CHAIRMAN: Yes, Mr. Ellis?

Mr. Ellis: Mr. Chairman, I move, seconded by Mr. Craig:-

That Chester S. Walters, Deputy Provincial Treasurer, be summoned to appear before the Public Accounts Committee forthwith, to give evidence with reference to the item "Interim Surplus \$7,347,729.73—"

HON. Mr. ROEBUCK: Is that the surplus of 1936?

Mr. Ellis: Yes.

HON. MR. ROEBUCK: 1936?

Mr. Ellis: Yes; that is your estimated surplus.

HON. MR. ROEBUCK: Oh, you mean of 1937?

Mr. Ellis: Yes.

HON. MR. ROEBUCK: I thought we had pretty well discussed that question as to how far we are going.

MR. ELLIS: ". . . appearing in interim statement of gross ordinary revenue, fiscal year April 1st, 1936, to March 31st, 1937, the item \$84,874,079.78 in interim statement of gross ordinary expenditure for the same fiscal year, the item \$2,282,905.62 in the budget forecast of ordinary revenue, fiscal year April 1st, 1937, to March 31st, 1938, and the item \$31,935,663.43 in

budget forecast of capital payments fiscal year April 1st, 1937, to March 31st, 1938."

HON. Mr. ROEBUCK: Mr. Chairman, my friend has a very strong sense of humour.

MR. Ellis: I have not any sense of humour, any more than you have.

HON. MR. ROEBUCK: If it is not humour, I do not know what it is, because he knows as well as I do that we are here with authority from the House to examine into the accounts of 1935-1936, and have no status whatever to go into the accounts of 1936-1937. The Public Accounts are not yet printed. They are not completed for that year, and how we can examine into Public Accounts that are not yet in existence, I do not know. Those Public Accounts are not even in existence now.

MR. ELLIS: Why are they not?

Mr. Heighington: The document was tabled in the House.

HON. MR. ROEBUCK: There was no document tabled in the House, it was the Budget given by the Prime Minister. Why do you not call the Prime Minister?

MR. ELLIS: I am going to call him.

HON. MR. ROEBUCK: We shall establish a new line of parliamentary practice if we call him. You will not get very far with that.

Mr. Colter: That is an estimated surplus.

MR. Ellis: Then it is not a true one.

HON. MR. ROEBUCK: Well, you say that, but we will let the public decide as between yourself and the Prime Minister. I for one am ready to accept the statement of the Prime Minister.

Mr. Ellis: I am not.

HON. MR. ROEBUCK: The Prime Minister's statement will be verified in the Public Accounts which will be printed in a couple of months' time.

HON. MR. HENRY: Will you give us another statement to that effect?

HON. MR. ROEBUCK: They will be out very shortly after the year closes, which is on the 31st of March.

HON. MR. HENRY: We did not get them until September last year.

HON. MR. ROEBUCK: You will get the accounts so far as they support this budget in plenty of time for the public to judge of their truth.

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Mr. Ellis: We may not.

HON. MR. ROEBUCK: Whether that is true or not true, Mr. Chairman, I take objection to the motion on the ground of its being beyond the powers of this Committee, outside our jurisdiction and ultra vires of anything we have here.

Mr. Ellis: I would like a definite statement from the Attorney-General as to the powers of this Committee. Will you read me the powers of this Committee? What are they?

HON. MR. ROEBUCK: Well-

MR. Ellis: What are they? You say what they are.

HON. MR. ROEBUCK: Everybody knows that I am right.

MR. ELLIS: Oh, Mr. Attorney-General, there are a lot of people in this Province who do not think any such thing.

HON. Mr. ROEBUCK: Well, there are some rank partisans that I know of in the Conservative Party.

Mr. Ellis: And there are some partisans among your own Party.

HON. Mr. ROEBUCK: Very true.

Mr. Ellis: But I want the Attorney-General to tell this Committee what I know he cannot tell—what are the limitations on the Public Accounts Committee? Tell the Committee how far they can go, what the rules are. Let us hear you tell them.

HON. MR. ROEBUCK: It is very well-known parliamentary practice that-

MR. ELLIS: I did not ask that. I asked for the rules.

HON. MR. ROEBUCK: I am giving them.

Mr. Ellis: You are giving your own opinion.

HON. MR. ROEBUCK: Most of the rules that guide parliamentary proceedings are the conventions that are known to everybody, the usages and practices, the way things are done and the way things are not done. It is perfectly obvious that we are not sent down here to examine the accounts from Adam and Eve up.

Mr. Ellis: I am not asking for that.

HON. Mr. ROEBUCK: We are here to examine the Public Accounts for 1935-1936.

Mr. Heighington: Why did you go over those old tie contracts last year—six years old?

HON. Mr. ROEBUCK: Because we did it under a resolution produced in the House.

MR. Ellis: Will you produce the resolution? There is not any such resolution.

HON. MR. ROEBUCK: Those were the rules that your Government followed when you were in office.

MR. Ellis: I think they are wrong.

HON. MR. ROEBUCK: They are perfectly right, and the idea of going into accounts of a year that is not yet completed is a little short of crazy.

Mr. Heighington: Mr. Chairman, this substantiates the point that I made in my speech yesterday. We are asked to approve or reject a budget on which we have no information. Talk about a deadline for a fair—

HON. MR. ROEBUCK: I object to this. This is not the place to keep up Mr. Heighington's debate which he staged in the House yesterday.

MR. HEIGHINGTON: All right.

HON. MR. ROEBUCK: I could criticise his speech very nicely, if this were the place to do it, and we could continue the remarks pro and con, but we are here, first, for one definite purpose, and the accounts are in that book. It is our job to examine these accounts and not to make speeches.

Mr. Heighington: Is the Attorney-General content to let it go abroad to the people of this Province that the Prime Minister, having estimated \$92,000,000 revenue, and a surplus of \$7,000,000—he denies to this Opposition the figures on which he seeks to substantiate those estimates?

HON. MR. ROEBUCK: That is a proper subject matter for debate, and the proper place to have that debate is in the House. There is not a man in any part of the House who has not the liberty to express his views in connection with it. The statements supporting the Budget are also with the printed Budget speech. My friends have them in their hands. If in due season it is found that those statements are inaccurate they will have the Public Accounts to substantiate their claims of inaccuracy.

Mr. Heighington: After the election is all over.

HON. MR. ROEBUCK: That is your whole trouble. Let me say this, Mr. Chairman, that we are not here to forward the election prospects of the Opposition or the Government. We are here to do a job of examining the Public Accounts, and my friend is either a humorist or he is not bona fide in moving this resolution. Let him take it to the House.

THE CHAIRMAN: Before going-

MR. Ellis: I want to make another statement.

HON. MR. ROEBUCK: Why not let the Chairman finish?

Mr. Ellis: You have made more speeches than anybody in the House and for a longer period of time; don't you think somebody else is entitled to say something?

THE CHAIRMAN: Anybody except the Chairman.

Mr. Ellis: I want to point out to the Committee that as usual the Attorney-General is evading the issue. In my view, Mr. Attorney-General, we are not the masters of the people, we are the servants of the people.

HON. MR. ROEBUCK: Oh, yes, you are. Your colleague said in the House in his debate that we were here to do the will of the people, if we deemed fit to do so.

MR. HEIGHINGTON: That is what Edmund Burke said.

Mr. Ellis: I still say, gentlemen, that we are not the masters of the people, we are the servants.

HON. MR. ROEBUCK: You always acted like it when you were in the Government.

MR. ELLIS: I was not in the Government, and you are, so how do you know?

I want to say this: Don't you think that the people of Ontario are entitled to every bit of information they can get regarding the finances of this Province? Is there anything that the Government should refrain from disclosing to the people of Ontario? Is there anything, Mr. Attorney-General, that you should stop the Opposition from knowing? If there is, what is your reason?

HON. MR. ROEBUCK: We have told you the whole story right now.

Mr. Ellis: Yes, and it is a story. I want to get facts.

HON. Mr. ROEBUCK: And, Mr. Chairman, it is a true story.

Mr. Ellis: How do you know?

HON. MR. ROEBUCK: I know all about it.

Mr. Ellis: And neither does the Prime Minister, until the 31st of March, know whether it is a true story or whether it is not.

HON. Mr. ROEBUCK: Well, you are not going to tell him anything.

Mr. Ellis: I am not forgetting to let the people of Ontario know the true situation.

Hon. Mr. Roebuck: He has forgotten more than you ever knew.

MR. ELLIS: I admit that, very frankly.

THE CHAIRMAN: May I say a word?

Mr. Ellis: Yes.

THE CHAIRMAN: At long last I am going to be permitted to say something.

MR. Ellis: It is about time the Attorney-General permitted it.

THE CHAIRMAN: When I was asked to take the chairmanship of this Committee I tried to prepare myself to carry out the functions of a Chairman and to learn something about my duties and something about the powers of this Committee. I made what I thought were the proper inquiries, from the Speaker, Members of long experience, and from the Clerk of the Assembly and by perusing the Proceedings of former Public Account Committee meetings. As a result of those inquiries I reached the conclusion that our procedure has been established through practice, it has carried on in a quasi judicial manner, and it is limited entirely to any items appearing in the Public Accounts for the last year. Now, that being the case, I will naturally have to make my ruling along those lines. I am not criticising Mr. Ellis or Mr. Heighington for moving this motion. Both of them are brilliant members of the House, men of wide legal experience, but knew that there was no possibility of this motion receiving any consideration, but it afforded them the chance of getting headlines in their partisan press.

Mr. Heighington: Now, Mr. Chairman.

THE CHAIRMAN: Just a moment—

Mr. Ellis: You are not a partisan, as Chairman.

HON. MR. HENRY: I do not think you should impute anything to a Member who moved the motion in Committee.

Mr. Ellis: You are an unbiased Chairman, or ought to be.

THE CHAIRMAN: I am trying to be.

Mr. Heighington: Mr. Chairman, I should like-

THE CHAIRMAN: Please, Mr. Heighington.

Mr. Heighington: I am rising to a point of order, Mr. Chairman.

THE CHAIRMAN: Go on, Mr. Heighington.

Mr. Heighington: I think you will agree that we have commended the Chairman for his conduct of this Committee on all occasions, and he has been generous in reference to Mr. Ellis and myself, but that last statement may have been hastily made but should certainly be qualified or withdrawn, because it is not proper as Mr. Henry points out, to attribute a false or improper motive to any Member of this House.

The Chairman: I did not do so. If you say so, I will accept your statement.

Mr. Heighington: I never saw the notice of motion until this morning.

THE CHAIRMAN: I will take your word.

Mr. Heighington: May I ask a question?

THE CHAIRMAN: Yes.

Mr. Heighington: I refer you to the Journals of this House of last year where I took objection to motions made by the Attorney-General to go into all tie contracts beyond the life of the last Government. I was then informed that we could go into them. Now you substantiate my argument that this Committee is restricted to the Public Accounts of the particular year in which we are sitting.

THE CHAIRMAN: May I say that I have quite a clear recollection of Mr. Price agreeing. There was an argument around the table, and Mr. Price said, All right, we will go back into the Drury regime, and the Attorney-General, and Mr. Price stood there and they settled the matter as to how far back they would go.

Mr. Heighington: Mr. Chairman, I agree with your ruling that we are restricted, and I would like it taken down now and made a ruling of this House that this Committee is restricted to the Public Accounts of the current session. If you will stick to that ruling, I am well content.

THE CHAIRMAN: I will stick to it. We allowed latitude to Mr. Ellis the other day on account of the change in the fiscal year between Hydro and the Government.

MR. Ellis: Mr. Chairman, I want to repeat this; that last year Mr. Glass, a member of the Government, moved a motion before this Committee to investigate tie contracts going back to 1923.

HON. Mr. ROEBUCK: The Prime Minister said in the House we would do that.

Mr. Ellis: The Prime Minister is not the whole House. There was no resolution passed in the House whatever. Moreover, I will get a copy of the Public Accounts where the Attorney-General himself stated that we should go back and not be limited to the current year. I am sending for a copy of the Public Accounts and I will quote your own remarks. You have apparently changed your mind now. Why?

Mr. Colter: I do not think such statement as this should be made to the Chairman of this Committee. I do not think such accusations should be levelled against the Chairman of this meeting.

MR. ELLIS: If they are true why should not I level them?

MR. COLTER: If you want to appeal against the Chairman's ruling, do so; that is your right.

MR. Ellis: I am not. You are not telling me what to do.

 $\ensuremath{\mathsf{MR}}.$  Colter: I am objecting to your statements that have been made here to-day.

MR. ELLIS: And I am objecting to yours. I am sending for a copy of the Public Accounts and I am going to read what the Attorney-General said.

MR. COLTER: That is your privilege.

MR. HEIGHINGTON: There is no point in reflecting upon the Chairman at all. He has made a ruling, but we are entitled to argue whether the ruling is right or not. He is not any more immune to criticism than a judge whose decision is subject to appeal, and I am sure the Chairman has enough confidence in us and in you not to feel any personal reflection on our criticism of his ruling.

Mr. Colter: After a ruling is made, have you the right to criticise it except to appeal from that ruling?

Mr. Ellis: Certainly.

THE CHAIRMAN: Can we proceed now?

Mr. Ellis: I am sending for a copy of the Public Accounts, and I am going to read the Attorney-General's statements. In the meantime I will proceed with Mr. Walters.

CHESTER SAMUEL WALTERS, SWORN.

By Mr. Ellis:

- Q. Mr. Walters, what position do you hold in the employ of the Provincial Government?
  - A. Controller of Finances and Deputy Minister of the Treasury.
  - Q. Deputy Provincial Treasurer?
  - A. Yes, and Deputy Minister of Public Works.
  - Q. Is that all?
  - A. Director of Savings Accounts.
  - Q. Is that all?
  - A. I am Chairman of the Advisory Committee for the Public Trustee.

- Q. Anything else?
- A. I represent the Government on the Penny Savings Bank.
- O. Is that all?
- A. I think so, yes.

THE CHAIRMAN: What do you do with your spare time?

Mr. Ellis: Q. Have you the Public Accounts for the fiscal year ending March 31st, 1936?

- A. Yes, sir, I will produce them.
- Q. Would you mind looking at page 33?
- A. I have it, sir.
- Q. I want you to read to the Committee under the heading "Gross Provincial Debt, Statement Showing Increase for the Fiscal Year Ended March 31st, 1936." all the items mentioned.
- A. Under the item "Increase 1936 over 1935" is funded debt, \$6,921,612.04. The unfunded debt is \$8,250,984.74, a total of \$15,172,596.78.
- Q. Would you mind taking my copy of the Public Accounts and reading everything there is under the heading "Gross Provincial Debt"?
  - A. I understood you spoke about the increase. I beg your pardon.
  - Q. No, every item that is there.
  - A. The whole sheet?
  - Q. No, just down-
  - A. The summaries?
  - Q. Yes, exactly.
- A. Gross Provincial Debt, Statement Showing Increase for the Fiscal Year Ended March 31st, 1936: the headings are 1934, 1935 and 1936, increase 1936 over 1935—
  - Q. No, no, I want you to read exactly what is there.
- A. I am reading it. The next is "Funded debt—Stocks, Debentures, Certificates and Annuities, \$594,038,788.49."
  - O. As of what date?

- A. October 31st, 1934.
- Q. What is the unfunded debt as of October 31st, 1934?
- A. \$61,722,064.21.
- Q. What is the gross debt as of October 31st, 1934?
- A. \$655,760,852.70.
- Q. Quote the same figures for the end of the fiscal year March 31st, 1935.
- A. That was the accounting period in our fiscal year.
- Q. Correct, but quote the figures.
- A. Funded debt—Stocks, Debentures, Certificates and Annuities, \$587,191,342.46. Unfunded debt \$87,194,574.52. The total gross debt was \$674,385,916.98.
- Q. The increase from October 31st, 1934, to March 31st, 1935, in the gross debt was how much?
  - A. I would have to figure it out.
  - Q. Well, work it out.
  - A. It is not subtracted here.
  - Q. Well, you subtract it.
  - A. The difference is \$18,625,064.28.
  - Q. In other words, that was the increase?
  - A. That is correct.
  - Q. From October 31st, 1934, to March 31st, 1935?
  - A. That is correct.
  - Q. What are the figures for the fiscal year ending March 31st, 1936?
- A. Funded debt, \$594,112,954.50. The unfunded debt was \$95,445,559.26. The total is \$689,558,513.76.
- Q. Then what was the increase in the gross debt of the Province from October 31st, 1934, to March 31st, 1936?
  - A. \$33,797,661.06.

- Q. So to put it another way, the increase in the gross debt of the Province from October 31st, 1934, up to March 31st, 1936, was \$33,797,661.06?
  - A. That is correct.
  - Q. What was the gross debt on July 11th, 1934?
  - A. I cannot tell you.
  - Q. Can you get the figures from your office?
  - A. No.
  - Q. Why not?
  - A. Because they have never been fully calculated.
  - Q. Why not?
- A. Because the way it was kept when this Government took over. It would have required to be calculated.
- Q. Can you work it out approximately if I give you time to send to your office for all the information you want?
- A. It is worked out, I think for all practical purposes, in the Budget address delivered on the 12th of March, 1936.
- Q. I suggest you send to your office and get the Budget Address and then give me the information.
- HON. Mr. ROEBUCK: Are we going into the fiscal accounts of 1934? I do not think we are going into the fiscal accounts of 1934.
- Mr. Ellis: I am going into the Public Accounts of 1936, and the Public Accounts of 1936 show a gross debt of the Province from October 31st, 1933, to October 31st, 1934,—
- HON. Mr. ROEBUCK: You can examine as to the accuracy of that figure but the accuracy of that figure does not depend on a division in the middle of the year.
- MR. Ellis: Mr. Chairman, I am taking the Public Accounts as they are, and they show the gross debt of the Province from October 31st, 1933, to October 31st, 1934. Do you not agree with me, Mr. Walters, that that is shown there?

Witness: I do.

Mr. Ellis: All right, and I want to ask some questions about it. Mr. Walters agrees with me, Mr. Attorney-General.

MR. HEIGHINGTON: Q. Is it not a fact that there was a monthly statement provided for every member of the Government at that time?

- A. It was a cash statement, and not on the accrual basis.
- Q. Would it not show the existing debt at any particular time?

A. No.

Mr. Ellis: Q. But, Mr. Walters, you said you could get the figures from the Budget Address delivered by the Prime Minister in 1935; I am suggesting that you could send somebody to your office and get that information for me.

A. Yes.

HON. MR. ROEBUCK: And I object to its being used.

MR. Ellis: Q. You are willing to give the information, are you not?

A. I am only a servant.

HON. MR. ROEBUCK: The witness's willingness has nothing to do with it.

WITNESS: I am most anxious to be of any help.

Mr. Ellis: I know that, and the Attorney-General isn't; that's the trouble. I am sending for the figures and then I am going to ask you a question.

WITNESS: Might I be allowed to make a statement?

THE CHAIRMAN: Surely.

Witness: As I say, I am only a servant, and I am anxious to be of the greatest possible assistance, but there are other people in the service who are much better qualified than I am to give this information, because Public Accounts are prepared solely by the Audit Department and not by the Treasury, and the head audit clerk, who has been here for some years, a Chartered Accountant and a highly qualified man, is Mr. Cotnam, probably the best man in the service to pick out those items. I am in the position of a cook in preparing a meal but would not know where to find the pepper and salt, the vinegar and the allspices.

MR. ELLIS: Q. You think there is some allspices and pepper and salt in the Budget, don't you?

A. I do.

HON. MR. ROEBUCK: It is well seasoned.

Mr. Ellis: It is very well seasoned, Mr. Attorney-General. I have been trying to bring that out in the House for some time.

HON. MR. ROEBUCK: You don't like the taste of it?

MR. ELLIS: I don't mind the taste of it at all.

WITNESS: You know what they used to say about the Chateau Laurier: Go into the dining room and have a good meal, but don't go into the kitchen!

MR. Ellis: I am equally suspicious.

THE CHAIRMAN: Mr. Ellis, do you want to go on?

Mr. Ellis: I am going to call Mr. Cotnam.

Q. But this fact remains, Mr. Walters, that during the Liberal regime the gross debt of the Province increased \$33,797,661.06.

HON. MR. ROEBUCK: That is taking in the Conservative year of 1934?

MR. Ellis: I rather thought you were in power in 1934.

HON. MR. ROEBUCK: No, you were in power.

WITNESS: He takes it from the 31st of October, 1934.

Mr. Ellis: Certainly. Would you mind answering my question, Mr. Walters?

MR. COLTER: That is the end of 1934?

HON. MR. ROEBUCK: That is half the year.

Mr. Ellis: I have asked a question, Mr. Attorney-General, should not the witness answer and not you?

THE CHAIRMAN: The Attorney-General has a right to comment.

Mr. Ellis: To give hints to the witness as to what he ought to say, No.

WITNESS: I would not be influenced by what he says.

Mr. Ellis: I would like the reporter to read my last question to the witness.

(Reporter read: Q. But this fact remains, Mr. Walters, that during the Liberal regime the gross debt of the Province increased \$33,797,661.06?)

HON. MR. ROEBUCK: There you have it. He has raised the question of the Liberal regime.

Mr. Heighington: Are you beyond criticism?

HON. MR. ROEBUCK: I can ask a question too, as to when the Liberal regime commenced.

WITNESS: Do you mean to ask me on the supply that the Liberals voted or the supply they worked on?

Mr. Ellis: No, I want the reporter to read my last question, and I want you to answer it.

(Reporter read: Q. But this fact remains, Mr. Walters, that during the Liberal regime the gross debt of the Province increased \$33,797,661.06?)

THE CHAIRMAN: Will you put a limit on the time, Mr. Ellis? You do not mean up to to-day, do you?

Mr. Ellis: Up to March 31st, 1936.

THE CHAIRMAN: That is what I thought you meant, but it was not stated.

WITNESS: A. Certainly.

MR. Ellis: Q. And that is the increase?

A. Yes, sir. If you asked me the reason, I could qualify it.

Q. Oh, no, the Attorney-General can do that when I am through.

HON. Mr. ROEBUCK: I am going to.

MR. Ellis: When I am through.

- Q. During the time that the Liberals have been in power bonds were sold to the extent of \$122,500,000?
  - A. How much did you say?
- Q. \$122,500,000. Up to November 1st, 1935, you sold \$82,500,000, and in 1936-37 you sold \$40,000,000?
  - A. On August 30th, 1934, the Government sold \$37,500,000 serial bonds.
  - Q. In what year?
  - A. 1934.
  - Q. All right, mark those figures down. What did you sell subsequently?
  - A. I heard someone say that we never sold serial bonds.
  - Q. I said it. I am glad to hear that I was wrong.
  - A. I do not think anybody noticed it, but those were serial bonds.
  - Q. I did not know they were.

- A. Also on the 1st of November, 1934, there were some bonds sold which are for the Teachers' Superannuation Fund. That is required by statute. The amount was \$1,300,000. I can give you the total. In the fiscal year ended 31st March, 1936, there were sold bonds amounting to \$46,300,000. I think that is all. How much did you say?
  - Q. \$122,500,000. I will give you the details if you want them.
  - A. During what period was that?
  - Q. During the period from July 11th, 1934, up to the present time.
  - A. Oh, up to the present time?
  - O. Yes.

HON. Mr. ROEBUCK: Up to the 31st of March, 1936.

MR. COLTER: No, he said 1937.

MR. ELLIS: Q. Give me the total.

A. I did not bring them, because I did not think I was going to be asked about the bonds this year.

HON. MR ROEBUCK: Certainly not

Mr. Ellis: That is in the motion. The motion covered the gross debt of the Province.

WITNESS: As at March 31st, 1936; you are now into the fiscal year.

- Q. 1936-37. Would you mind sending for the figures? Am I correct in stating it is \$122,500,000? I will give you every sale you had, if you wish it.
- A. I had them. I didn't bring that information because I didn't expect to be examined on that.
  - Q. Will you send for the information?
  - A. You are about correct.
  - Q. Of course I am; it is \$122,500,000, is it not?
  - A. I beg your pardon?
  - Q. Am I not correct?
- A. I say I didn't bring those figures with me, but I say you are substantially correct.
  - Q. Will you send out for the exact figures?

- A. Yes, I would like to say this, that I didn't expect to be examined on this.
- Q. I will give you plenty of opportunity to send out for the exact figures.

THE CHAIRMAN: I have no objection. If Mr. Ellis has anything to clean up we might get done with it.

HON. MR. ROEBUCK: We can do it under objection, if you want to.

WITNESS: Mr. Ellis is substantially correct. I don't want to give the exact amount, that is the reason. There was a \$20,000,000 issue and there was a \$15,000,000 issue, and then there will be some for the Teachers' Superannuation Fund, but I just haven't the exact amount.

Mr. Ellis: Q. Would you mind sending the clerk out and getting the exact figures? I know I am correct, but I want to get the figures down on the record.

- A. Yes.
- Q. Up to November 1st, 1935, what was the longest term bond the Government sold?
  - A. The longest term was seven years.
  - Q. I was speaking of up to November 1st, 1935.
  - A. Do you mean including or before?
- Q. Before November 1st, 1935, what was the longest term of any debentures the Government sold?
  - A. Five years.
  - Q. Do you think that is good financing?

HON. Mr. ROEBUCK: I object.

Mr. Ellis: This man is an expert.

HON. MR. ROEBUCK: He is not here to give opinion evidence on the policy of the Government.

MR. Ellis: Why not?

HON. MR. ROEBUCK: It is not his business to give it, and you have no business asking it.

MR. Ellis: I have a right to ask it.

THE CHAIRMAN: I do not think so. You are entitled to go into all the items appearing in the Public Accounts, but surely this is not a Committee on

public policy. Surely civil servants should not be asked whether something that has been done by this Government or another Government is in the servant's opinion, sound or wise or stupid.

MR. ELLIS: All right.

- Q. Subsequent to November 1st, 1935, did you sell any issues payable longer than five years?
  - A. You mean the Government?
  - Q. The Government, yes.
  - A. Subsequent to?
  - Q. November 1st, 1935.
  - A. Yes.
  - Q. What were the terms of those bonds?
  - A. 20-year issue of \$20,000,000.
  - Q. Payable when?
  - A. Three per cent coupon, maturing in 1951.
- Q. What was the other issue of \$20,000,000 which you sold subsequently in January of this year?
  - A. It was \$15,000,000.
  - Q. When were those payable?
- A. They were payable \$1,000,000 a year from 1943 up to 1962. Serial bonds.
- Q. So subsequent to November 1st, 1935, the Government sold long term debentures, did they not?
  - A. Yes.
  - O. And prior to that date they sold very short term debentures?
  - A. Yes.
- Q. Now out of all the debentures that have been sold by the present Government amounting to \$122,500,000, how many serial issues did you have?
  - A. Two, the first and the last.
  - O. And the last one was how much?

A. I believe it was \$15,295,000.

HON. MR. ROEBUCK: Q. Are some of these bonds for refunding purposes?

A. Yes.

Mr. Ellis: Q. Mr. Walters, I think you are wrong in your figures. In December, 1936, the Government sold \$20,000,000 of bonds?

- A. Right.
- Q. And in January, 1937, they sold another \$20,000,000 worth of serial bonds?
  - A. No, I am right; they didn't sell \$20,000,000.
  - Q. What did you do, grant an option?
  - A. Yes.
  - Q. Oh, you did?
  - A. Yes.
  - Q. To whom?
  - A. To a syndicate.
  - Q. Composed of whom?
- A. The Royal Bank, the Canadian Bank of Commerce, Wood, Gundy Limited, Dominion Securities Limited, and A. E. Ames & Company.
  - Q. For how long is the option?
  - A. I believe for thirty days.
  - Q. At what price?
  - A. I can produce the option, if you would like to see it.
  - Q. I would like to see it. Can you send for it?
  - A. Yes.
  - Q. Was the option taken up?
  - A. No.
  - Q. It was not?
  - A. No; not acted upon in full.

HON. MR. ROEBUCK: What has this got to do with it?

MR. Ellis: I am going into the gross debt of the Province.

HON. Mr. ROEBUCK: You are going into the issue of bonds.

Mr. Ellis: I am going into the issue of bonds which constitute the gross debt of the Province of Ontario.

HON. MR. ROEBUCK: The issue of bonds in the way you are going into it does not constitute the gross debt.

Mr. Ellis: Are you worried?

HON. MR. ROEBUCK: No.

MR. ELLIS: If you are not worried, why not let me go into the question?

HON. MR. ROEBUCK: Because that is not included in our inquiry.

MR. ELLIS: It is included in the gross debt of the Province. The issued bonds of the Province form the gross debt, plus the unfunded debt. That makes up the gross debt of the Province.

HON. MR. ROEBUCK: These are the figures of the gross debt. but whether we gave an option on bonds has nothing to do with the gross debt.

Mr. Ellis: Q. Has the option been taken up?

- A. No.
- O. It has not?
- A. In part only.
- O. To what extent?
- A. To the extent of about \$5,295,000.
- Q. Have the optionees given you any indication as to whether they are going to take up the balance of the option?
  - A. Yes.
  - Q. You gave the option in January, 1937?
  - A. Right.
- Q. And some odd five million has been taken up, and that is all, up to the present time?
  - A. The offer was on this basis, that they offered to purchase 50 per cent

of the bonds—these bonds were in serials—payable \$1,000,000 per year, and they offered to purchase one-half million dollars at each maturity.

- Q. At what price?
- A. I believe it was 98.52. I remember it was the best price that any Province ever got.
  - Q. Oh, no, the Province of Quebec got a better one.
  - A. Never, pardon me.
  - Q. But you have not sold, because your option has not been taken up.
  - A. We have sold most of them.
  - Q. What percentage?
  - A. We sold all of the earlier issues.
- Q. I am not talking about the earlier issues, I am talking of the issue of January, 1937, amounting to \$15,000,000.
  - A. Of the \$20,000,000, \$15,295,000 were sold.
  - Q. Under option?
  - A. No, 50 per cent on direct purchase, \$5,295,000 on option.
  - Q. Who made the direct purchase?
  - A. The syndicate.
  - Q. And have they paid you?
  - A. Before they got the bonds.
  - Q. What remainder of the option has not been taken up by the syndicate?
  - A. Between \$5,295,000 and \$10,000,000 even.
- Q. So approximately \$5,000,000 has not been taken up by the optionees, is that right?
  - A. That is right.
  - Q. Have you extended the option?
  - A. No. We have other clients.
  - Q. But you have not sold the remainder of the issue yet?

- A. No, but I think we will at a better price.
- Q. If you think so, why did not the optionees take up the option?
- A. Because something happened in the world markets just at that time.
- Q. What happened?

HON. Mr. ROEBUCK: I object. I have allowed a lot of latitude, Mr. Chairman, but I cannot see how this has anything to do with our inquiry.

THE CHAIRMAN: That would be absolutely contrary, Mr. Ellis.

Hon. Mr. Roebuck: We are certainly not going into the confidential dealings of the Treasury Department in the matter of the sales of bonds.

Mr. Fllis: I think there is nothing confidential regarding this matter as far as the people of Ontario are concerned.

HON. Mr. ROEBUCK: Oh, yes, there is.

MR. Ellis: I do not agree with you.

Q. But in any event approximately \$5,000,000 of that issue have never been sold?

A. That is not uncommon in the experience of the Province.

Mr. Ellis: I did not ask you that.

Hon. Mr. Roebuck: He has told you already.

MR. Ellis: I want him to repeat it, and I am going to ask the reporter to read the question to the witness.

(Reporter read: Q. But in any event approximately \$5,000,000 of that issue have never been sold?)

WITNESS: Right.

Q. Were public tenders called for in the case of any bonds of the Province?

HON. MR. ROEBUCK: I object. This thing has got to stop somewhere, Mr. Chairman. We are here inquiring into the amount of the debt as set forth on page 33 of the Public Accounts, and whether bonds were advertised or not has nothing whatever to do with that.

MR. ELLIS: Of course it has.

HON. MR. ROEBUCK: We are doing nothing but inquiring into the accuracy of these figures. I have some rights here too, you know.

THE CHAIRMAN: I think, Mr. Attorney-General, the question is permissible, because it might be argued or suggested that they could have got better prices.

HON. MR. ROEBUCK: That would not make any difference to the accuracy of the account.

Mr. Ellis: I think, Mr. Attorney-General that the Chairman is being eminently fair.

HON. MR. ROEBUCK: You did not think so a minute ago when his ruling was against you.

Mr. Schwenger: Mr. Chairman, all of this is subject to March 31st, 1936?

Mr. Ellis: I produced the Public Accounts showing the indebtedness at 1934, and now the Chairman has made his ruling.

- Q. Was there one issue of bonds sold by tender under the present regime?
- A. No.
- Q. Are you familiar with any of the issues of Hydro?
- A. No, sir.
- O. You are not?
- A. No.
- Q. Do you know whether or not those issues were sold by public tender?
- A. Not officially.
- Q. I did not ask you "officially," I asked you, as a matter of fact, do you know?

THE CHAIRMAN: He cannot give hearsay evidence.

Mr. Ellis: He said "not officially."

THE CHAIRMAN: If he had anything to do with it then he would be able to speak with first-hand knowledge, but if he has just heard something about it that would not be evidence.

MR. Ellis: Q. I am going to ask him whether or not he knows as a fact whether the Hydro issues were sold by public tender or not?

A. I would rather be excused from answering anything about Hydro.

MR. Ellis: I know you would, but I want an answer to my question.

HON. MR. ROEBUCK: And I object to the question; it is not included in the inquiry.

MR. ELLIS: Wait until I get the motion.

THE CHAIRMAN: I do not think this witness can be questioned about Hydro.

Mr. Heighington: It would be proper if the bonds are guaranteed by the Province.

MR. Ellis: Part of the motion, Mr. Chairman, deals with it.

MR. HEIGHINGTON: If it is part of the guaranteed debt, it is proper.

Mr. Ellis: The first part of the motion deals with the gross debt of the Province. The second part deals with page 20 under the heading of Public Debt, items amounting to \$110,292,220.77, etc. I will refer to page 20. That refers to the potential liability of the Province in regard to bonds which it has guaranteed?

WITNESS: Where, on page 20?

Q. No, you are right, I am wrong. It is on page 36. I was wrong in the page. Would you look at page 36. That shows bonds of the Hydro-Electric guaranteed by the Province?

MR. SCHWENGER: That is not in your resolution, Mr. Ellis.

Mr. Heighington: It affects the general debt shown in the statement we started to examine upon. Therefore, I submit it is quite proper.

THE CHAIRMAN: I don't see any objection to it.

Mr. Ellis: Nor do I.

HON. Mr. ROEBUCK: I see "Advances to Hydro-Electric Power Commission—Decrease \$15,142,684.52." What are you referring to?

Mr. Ellis: There is no sum of \$15,000,000 shown on page 36.

THE CHAIRMAN: Q. Does this affect the general debt?

A. No, it does not.

THE CHAIRMAN: If it does not affect the general debt, Mr. Ellis, I do not see how we are interested in it.

MR. ELLIS: Mr. Chairman, I submit that it does affect the general debt of the Province because it is a potential liability.

THE CHAIRMAN: The witness says it does not.

WITNESS: It does not.

MR. ELLIS: Q. But is it a potential liability of the Province?

A. It is a contingent liability.

Q. In other words, a potential or contingent liability.

A. It is not part of the gross debt of the Province.

Q. But it is a possible debt of the Province?

A. Under certain contingencies.

Q. As a matter of fact, do you know whether or not any of the issues of Hydro bonds were sold by public tender?

HON. MR. ROEBUCK: I object.

MR. HEIGHINGTON: It is difficult now that he has made that admission.

Mr. Ellis: If he does not know, let him say so. I am asking him does he know.

THE CHAIRMAN: Of his own knowledge.

Mr. Ellis: Do not assist the witness. Let him answer himself.

WITNESS: I know that they have sold by tender.

MR. ELLIS: So do I.

THE CHAIRMAN: The Attorney-General said he knew they had. He ought to know.

Mr. Ellis: Certainly he knows. Now I am going to ask a question, Mr. Chairman, and I would like your ruling on it. I want to ask this witness whether he believes that calling for public tenders with regard to the sale of bonds either of the Province or of Hydro is a proper thing.

THE CHAIRMAN: I could not permit that question, Mr. Ellis.

Mr. Macaulay: Why certainly, it is a proper question. If he has any qualifications to his answer, let him make them. He is of age and a bright fellow; let him give his answer.

THE CHAIRMAN: No, I will not.

MR. MACAULAY: Well, we will take a division on it.

Mr. Ellis: Yes, let us take a division on it.

MR. MACAULAY: We were told in the last general election that if anybody wanted to walk up to the front door and go into the Treasury Department, any man, woman or child could get information about the affairs of this Province. Now we have to work through a dozen corporation lawyers, a Chairman and a Committee, trying to find out what we want to know.

THE CHAIRMAN: If you start accusing me of being partial in my rulings I will bear down and be a great deal stricter than I have been so far. You were not here this morning when I made the remark that it was not fair to ask any civil servant whether or not the policy carried out was wise or stupid, and I certainly am going to stand by that ruling. I do not think any civil servant should be subjected to that. That is not what this Committee is for. Civil servants should not be subjected to questions of that kind.

MR. ELLIS: I am not asking a question of policy. This man is an expert on finance, and I admit it. I am asking him as an expert witness whether he believes in the principle of selling bonds, not of the Province, but of any municipality or of any Government, by public tender.

HON. MR. ROEBUCK: And the ruling has been given.

THE CHAIRMAN: How is that relevant?

MR. Ellis: It is so relevant that you want to rule it out.

THE CHAIRMAN: It is ruled out.

MR. Ellis: Then I challenge your ruling.

Mr. Macaulay: I appeal from the ruling of the Chairman.

WITNESS: I can show where it has been of advantage to the Province not to ask for tenders.

HON. MR. ROEBUCK: Now we have it.

MR. Ellis: No, you are ruled out.

MR. MACAULAY: Mr. Walters, we would like to hear your views, but you have been ruled out. I appeal from the ruling of the Chair. The Attorney-General was willing to have you answer to help the Government, but I am prepared to accept it both ways.

THE CHAIRMAN: All right, gentlemen. All those in favour of the ruling of the Chair will kindly stand. Those opposed?

Whereupon a division was taken.

THE SECRETARY: Mr. Chairman, the Yeas are 18 and the Nays 10.

THE CHAIRMAN: Go on, Mr. Ellis.

- MR. Ellis: Q. Mr. Walters, this fact remains that the Hydro have sold bonds by public tender?
  - A. Yes.
- Q. And that in no case has the Province during the present regime sold any bonds by public tender?
  - A. No.
  - Q. Do you know how the City of Toronto sells their bonds?
  - A. No.
  - Q. You have no idea at all?
  - A. No.
  - Q. Do you know how the City of Ottawa sells their bonds?
  - A. No.
- Q. If I tell you they sold their bonds by public tender, would you think they are right?
  - A. It all depends upon the circumstances.
  - Q. What circumstances?
  - A. Would you like me to explain what I mean?
  - Q. No, I asked you a question. Under what circumstances?
- A. I will answer you this way; when public authorities make an issue of debentures and decide to sell them they are anxious, of course, to sell them at the greatest possible advantage. Sometimes they find that by private arrangement they can get their money at a time when they believe the market is in the best possible position.
  - Q. But how do they know?
  - A. From information they get, just the same as I get it.
  - Q. From whom do they get the information?
- A. I obtain the information from Mr. George W. Spinney from the Bank of Montreal, the Royal Bank and by the telephoning the Department of Finance at Ottawa, and Mr. Towers, the Governor of the Bank of Canada.

HON. MR. ROEBUCK: Q. And others?

A. And others. If you waited six days, for example, any public authorities

that expected to go into the market for bonds, say, on the 7th of January, if they waited two or three days to call for tenders they would find themselves in the position that some other public authorities in this country have been in by waiting another day, and they get into the position where they cannot sell their bonds profitably, because from the 11th day of January, for twenty-one days, the high grade bond market kept sagging.

- Mr. Ellis: Q. Well, you sold part of the \$15,000,000 at 98.40, I think you said?
  - A. Fifty-two.
  - Q. What are they selling at now?
- A. I do not know, but if they are selling at less than that there is a very good reason, but it has nothing to do with the bonds themselves.
  - Q. I did not ask you that. Do you know what they are selling at?
  - A. I think they are selling at about 95.
- Q. Then it is very obvious that the optionees are not going to take up the balance of the issue?
  - A. Unless they want to lose money.
- Mr. Macaulay: Q. I would like to ask the witness if he knows about the statement made by the Prime Minister that that issue had been sold?
  - A. No.
  - Q. Have you your statement here that you made to the Press at that time?
  - A. What statement?
- Q. Are you sure that neither you nor the Prime Minister told the public and the Press that that issue had been sold at the best price ever obtained in the history of the Province?
  - A. I never tell the Press or the public anything.
  - O. If there was a statement like that in the Press, where did it come from?
  - A. It might have come from the brokers themselves.
  - HON. MR. ROEBUCK: Q. How do you know that?
- A. It is a matter of common knowledge that the Province of Ontario did the best piece of financing ever known.
- Mr. Macaulay: Q. You say you did not tell the Prime Minister that that issue had been sold?

HON. MR. ROEBUCK: I object to what he told the Prime Minister.

WITNESS: I never mentioned the Prime Minister's name.

MR. MACAULAY: Q. Do you know of your own knowledge whether any statement was made to the public by the Prime Minister that that issue had been sold?

A. No, I do not know that.

Mr. Heighington: I quite agree that we cannot go into what he said to the Press or to the Prime Minister.

Mr. Macaulay: I am asking the question. I think I know what questions are proper and what are not. I am asking whether he knows that the Prime Minister made a public statement in which he said that this issue had been sold.

WITNESS: I answered that I didn't.

THE CHAIRMAN: How does that affect the items we are dealing with?

Mr. Macaulay: He now tells us for the first time that the issue was not sold.

THE CHAIRMAN: That was not the evidence.

MR. MACAULAY: It was. The option has not been taken up, he said.

THE CHAIRMAN: He said \$10,000,000 was sold in one way and \$5,000,000 in another.

Mr. Macaulay: I will show you a statement at our next meeting in which it was stated to the public that the whole issue had been sold at the best price in the history of this Province when, as a matter of fact, the issue was only optional. If the price had gone up they would have got their bonds and you would have been out, but if the bond price went down you would be stuck.

WITNESS: That is not a correct statement. You said they were not sold. They are only partly optioned. There is a direct sale of one-half a million in each issue from 1943 to 1962.

Q. But if the price went up they would take up their option and take delivery of the bonds, but if the price went down they would throw the bonds back on your hands, is that not right?

## A. Yes.

MR. ELLIS: Let us get back to the \$20,000,000 issue which the Province sold in December, 1936, payable in 1951. Do you know if the Province of Quebec sold \$15,000,000 worth payable in 1951 at the same rate of the interest as the \$20,000,000 issue of the Province of Ontario?

- A. Yes, at a lower price.
- O. Which bonds are selling at the higher price now?
- A. I do not think there is much difference in the price. It is perfectly elementary why there is a difference.

Hon. Mr. Roebuck: Mr. Chairman, I want to record my objection. This has nothing to do with the subject matter of our meeting this morning. My friend can make these statements on the floor of the House whenever he likes. The Budget debate is still in progress, and that is the place for him to make these political speeches.

Mr. Macaulay: You cannot find out on the floor of the House whether a bond issue has been sold or optioned.

WITNESS: There is a very good answer to it.

HON. MR. ROEBUCK: You had better give the answer.

Mr. Ellis: I assume that the Attorney-General's remarks have been recorded, and I still want to ask that question.

WITNESS: You asked me the reason?

Q. No, I asked which issue is selling at the higher price now, the \$20,000,000 issued by the Province payable in 1951 at 3 per cent interest, I think, or the Quebec issue of \$15,000,000 payable in 1951 and issued at the same rate of interest.

THE CHAIRMAN: I rule that out, Mr. Ellis, because you can phone down to a broker's office, or anybody in the Committee can phone down, and get that information.

Mr. Ellis: If the answer is so easy to obtain, which it is, why not have it recorded? If there is no objection to it and any body can get the information, I would like to have it as a matter of record.

THE CHAIRMAN: I rule it out because it is not pertinent to the inquiry.

Mr. Ellis: Well, if as you say, anybody can get the information easily, then there is nothing that you will gain by hiding the fact of what the two issues are selling at. Let it go down on the record.

THE CHAIRMAN: If any member of the Committee phoned to a broker's office to-day he would get a certain price. To-morrow, if he phoned, the price might be different, and next week it would be still different. So what is the use of putting on the record the price of bonds to-day.

Mr. Ellis: Do you agree, Mr. Chairman, that the issue of bonds by the Province of Ontario is selling at a lower price than the Quebec issue?

THE CHAIRMAN: I haven't the faintest idea. That can all be argued on

the floor of the House. You can find out if Ontario bonds are lower and make a brilliant speech about it and condemn the Government because they are, and make political capital out of it, but I do not see that this Committee is interested in it.

HON. Mr. ROEBUCK: He can put the question on the order paper.

Mr. Schwenger: I think Mr. Ellis gave that information in his speech the other day.

Mr. Ellis: Certainly I did. It was correct and was not questioned by anybody. However, I will drop the question.

THE CHAIRMAN: I might say that the bonds of the Province of Ontario are selling higher than Windsor bonds.

MR. DUCKWORTH: They are only worth ten cents.

MR. Ellis: Q. Now, Mr. Walters, what are the outstanding bills that the Government have not paid as of the present date?

THE CHAIRMAN: Are we going into 1937 again?

MR. Ellis: I hope so. I want both capital and ordinary expenditures.

THE CHAIRMAN: We cannot go into that, Mr. Ellis.

MR. COLTER: I object to that.

THE CHAIRMAN: The witness is not prepared to go into that.

Mr. Ellis: Wait, Mr. Chairman. Are you prepared to go into that if I give you time to get the information from your office?

WITNESS: All right.

Mr. Ellis: Then you are wrong, Mr. Chairman. The witness says he is prepared.

THE CHAIRMAN: But you put the question the other way, "If you give him time." Then he said he would be prepared. But are you right now at this minute?

MR. HEIGHINGTON: The point is that the witness is not in politics and is, therefore, prepared to give the evidence.

WITNESS: I am glad, Mr. Heighington, that you said that, because Mr. Macaulay said, or I understood him to say, that I would give an answer that might help the Government. I assure you I do not want to help anybody; I just want to help the Committee.

Mr. Macaulay: No, I said the Attorney-General was willing that you should

answer to help the Government, but I said I was prepared to accept your answer both ways.

HON. MR. ROEBUCK: And I wish to controvert that statement, Mr. Chairman. I am prepared to have any information come out that is proper before this Committee, but I am not going to see you roam all over the field. This is not an inquiry at large.

Mr. Ellis: Why should it not be?

HON. MR. ROEBUCK: Because it has not been and never was in the past.

MR. ELLIS: But why should it not be?

HON. Mr. ROEBUCK: Well, why don't you overturn the present methods of Government and establish one of your own?

MR. ELLIS: Mr. Attorney-General, that is no answer, and you know it.

HON. Mr. ROEBUCK: You are a lawyer and you know, too, what the answer is to your question.

 $\ensuremath{\mathsf{MR}}.$  Ellis: I do not, and I want to hear your answer. You dare not answer the question.

Q. Now, Mr. Walters, you are prepared, you say, to answer my question, which I am going to ask the reportr to repeat.

(Reporter read: Q. Now, Mr. Walters, what are the outstanding bills that the Government have not paid as of the present date?)

WITNESS: I am in a position to answer because we have a very efficient budgetry system now where everything is recorded before the orders—

THE CHAIRMAN: Show me what part of the resolution covers that question, Mr. Ellis.

Mr. Ellis: There is a certain outstanding indebtedness as of March 1st, 1936, and I want to know whether there should be some additions to that. That is a perfectly reasonable question.

THE CHAIRMAN: But your question dealt with it up to the present time.

Mr. Ellis: All I want to know, Mr. Chairman, is what the figure actually was; is there some outstanding capital indebtedness that should have been added to that figure, and I am asking the witness to state it.

THE CHAIRMAN: I understood your question to be what was outstanding to date.

MR. ELLIS: No, no, I am asking the question and I am giving you the reasons.

THE CHAIRMAN: There is no objection to the question as framed now.

HON. Mr. ROEBUCK: Mr. Walters can say whether anything should be added to that figure or not.

MR. Ellis: No, Mr. Attorney-General, I am not asking the question of you. I want the reporter to repeat the first question which I asked the witness.

(Reporter read: Q. Now, Mr. Walters, what are the outstanding bills that the Government have not paid as of the present date?)

THE CHAIRMAN: How does that come within your resolution, Mr. Ellis?

MR. COLTER: What does he mean by "outstanding"? All that have not been paid?

Mr. Ellis: The witness knows what I mean.

HON. MR. ROEBUCK: Are you going to give us some evidence?

Mr. Ellis: You know perfectly well that I cannot give you any evidence unless I get it from this witness. If you prohibit me from getting evidence which the people of Ontario are entitled to have, that you may do because you control the Committee.

HON. Mr. ROEBUCK: Mr. Chairman, I would like to have the reporter read Mr. Ellis's second question.

THE CHAIRMAN: Mr. Ellis, I asked you if you could show any wording in the resolution that covered your question.

MR. ELLIS: Yes, and I have given you the explanation.

THE CHAIRMAN: I understood you to change your question and ask the witness if there had been anything added or taken away from the item as appearing on this page.

MR. Ellis: I did not change my question; I gave you an explanation.

THE CHAIRMAN: I will rule out the question.

Hon. Mr. Roebuck: Mr. Chairman, you have ruled, and I would now like to have Mr. Ellis's second question read by the reporter.

Mr. Macaulay: I would like to find out whether this Committee is being run by the Attorney-General or the Chairman. You have made your ruling, Mr. Chairman, and I am going to ask for an appeal from that ruling.

MR. ELLIS: Yes, I want a ruling as to whether or not the question which the reporter has twice read is in order or not.

THE CHAIRMAN: I say it is out of order. I cannot see how that question

is covered by the resolution that we are dealing with. If anybody can show me that it is, I will be willing to change it. I do not think there is a man in this room who will say that that question is covered by the resolution.

Mr. Heighington: It does not matter whether it is covered by the resolution or not. According to the ruling last year, when we were inquiring into the current account the Honourable Chairman then ruled that we could go back, on motion of Mr. Glass, at page 26 of the Journals of last year, as far back as 1923 or 1924. If that argument is logical, it works both ways.

THE CHAIRMAN: There was a resolution before the Committee to that effect, and it was carried. There is no resolution covering this.

MR. HEIGHINGTON: We are dealing with the public debt of the Province in the year of grace 1937, and asking a very pertinent question about the debt in the year 1937. It seems to me that if you are going to allow the Committee to go away back to 1923 at one time you can very well allow this Committee to go into the 1937 figures.

THE CHAIRMAN: Mr. Heighington, will you not admit that that question of Mr. Ellis's is not covered by the resolution?

Mr. Ellis: I moved another resolution and you ruled it out of order.

THE CHAIRMAN: I did not know about it, if I did.

MR. ELLIS: You did, because I read it this morning.

THE CHAIRMAN: Oh, that one.

Mr. Heighington: What is the object of withholding the information? This is a judicial inquiry, after all. Let us get on with it.

MR. MACAULAY: We have appealed, and I want a division.

HON. MR. ROEBUCK: Let us clean up the question that is continually being referred to about last year. I have in my hands the Journals of the Legislative Assembly of 1936, and on page 26 the following will be found:

"Mr. J. J. Glass: Mr. Chairman, I move, seconded by Mr. W. E. Sinclair. . . ."

Then there was quite a long resolution covering the inquiry into tie contracts, 1923-24, 1924-25, 1925-26, 1926-27, 1927-28, 1928-29, 1929-30, 1930-31, 1931-32, 1932-33 and 1933-34. Then the discussion continued as follows:

"THE CHAIRMAN: You have heard the motion?

"Mr. Price: I do not want to object to the investigation going back over these years . . ."

THE CHAIRMAN: That is what I said this morning.

HON. MR. ROEBUCK: Yes, on the basis of the consent of all parties concerned.

THE CHAIRMAN: Yes, it was Mr. Price who provoked the inquiry, and I said this morning that I had a clear recollection of Mr. Price agreeing to what the Attorney-General suggested.

MR. MACAULAY: Sure we did, and we say the Attorney-General should agree to-day.

THE CHAIRMAN: But here we have a question that is not covered by the resolution. Do you want me to disregard the resolution entirely?

Mr. Macaulay: I have appealed from your ruling, and I would like to have a recorded vote on it.

Mr. Nixon (Temiskaming): Mr. Chairman, is it competent for this Committee to examine into the financial affairs of the Province for the present fiscal year?

THE CHAIRMAN: No.

MR. MACAULAY: Is it proper for you to bring down a budget this year and we not be permitted to ask any questions about it until next year?

Mr. Schwenger: You can, in the House.

 $\ensuremath{\mathsf{MR}}.$  Macaulay: We are going to ask them down here in the Public Accounts Committee.

THE CHAIRMAN: My ruling is that it is an insult to the House—I am not going to rule that it is an insult to the House, but, in my opinion it is an insult to the House to go ahead and attempt to carry on a discussion about the current budget, the very thing we are discussing on the floor of the House to-day. The argument is entirely out of order.

Mr. Heighington: The basis of an intelligent discussion is to have the facts. Are you going to deny us the facts? That is what this Committee is for.

Mr. Ellis: I want to ask Mr. Nixon a question. Do you, Mr. Nixon, object to the people of Ontario getting full information with regard to the finances of the Province?

HON. MR. ROEBUCK: Oh, no.

Mr. Nixon (Temiskaming): I have no objection to the people of Ontario knowing anything about the financial affairs of the Province, and they are learning about those affairs from day to day.

Mr. Heighington: Through the efforts of this Committee.

Mr. Nixon: (Temiskaming): I am a new member in this Committee, compared to the majority of the members, and I do not know what the practice

has been in the past, but I will venture to bet with the Honourable Member from South Ottawa that it has not been the practice of this Committee in the past to examine into the current year's accounts.

MR. Ellis: Certainly it has been.

Mr. NIXON (Temiskaming): No, it has not been.

MR. Ellis: Now wait, Mr. Nixon; I was a member of the Legislature before you were a member, and I tell you it was the practice.

MR. NIXON (Temiskaming): Will you show me the proof?

Mr. Ellis: Yes, as soon as I am through here.

Mr. Heighington: Let the Honourable Member look it up. Mr. Sinclair, who was leading the opposition, frequently inquired and summoned witnesses on matters that were under discussion in the House, as this Committee will remember.

THE CHAIRMAN: I can assure both Mr. Heighington and Mr. Ellis that if they can show me any records where the current budget has been discussed in Committee I will be glad to change this ruling and allow you full latitude.

Mr. Ellis: Well, Mr. Chairman, we have appealed from your ruling and we are going to have a vote on it.

THE CHAIRMAN: As a matter of fact, it seems very strange to me. I do not know you can pass a resolution dealing with Public Accounts that have not been published. How could you frame a resolution?

Mr. Ellis: Your budget has been published all over the newspapers of Ontario.

THE CHAIRMAN: But these are Public Accounts.

MR. Ellis: Yes, and you ruled out my motion.

THE CHAIRMAN: Quite so, and I say if you will show me any record of proceedings of this Committee in prior years where there were resolutions passed and where there was evidence taken in connection with the current budget, I will be glad to change the ruling and go into it at the next Committee meeting.

Whereupon a division was taken.

THE SECRETARY: Mr. Chairman, your ruling is upheld. The Yeas are 19 and the Nays are 12.

Mr. Ellis: Q. Mr. Walters, what were the contingent liabilities of the Province as of October 31st, 1934?

- A. They are on page 53, I think. The contingent liabilities, I believe, are shown from pages 50 to 53, but they are not in the resolution.
  - Q. What is the amount as of March 31st, 1936?
  - A. The total shown on page 53 is \$113,968,416.67.
  - O. What was it as of October 31st, 1934?
- A. I have not the Public Accounts of 1934 here, but I can get them. Have you the Public Accounts of 1934?
- Q. No, I have not, but I can tell you the figures. What is covered under the term "Contingent Liabilities"?
  - A. Do you want the details?
- Q. No, just generally. Perhaps I can assist you. They are bonds guaranteed by the Province?
  - A. Generally, yes, or bank loans.
  - Q. Will you send out now for the Public Accounts of 1934?
  - A. Yes.
- Q. You said that the contingent liabilities of the Province as of March 31st, 1936, amounted to \$113,968,416.67.
  - A. That is correct.
  - Q. Then I asked you to give me the figures as of October 31st, 1934.
- A. The figures here is on page 44 of Public Accounts for the fiscal year ending 31st of October, 1934, \$97,782,015.91.
  - Q. Correct. And the increase is how much?
  - A. \$16,186,400.76.
- Q. So during the Liberal regime the contingent liabilities of the Province increased by \$16,186,400.76?
  - A. Correct.
- Q. Now, generally speaking, the contingent capital liabilities of the Province include bonds guaranteed by the Province for the Hydro and various other things?
  - A. Yes, or municipalities.
  - Q. Mr. Heighington suggests it includes the T. & N.O.?

### A. Yes.

THE CHAIRMAN: Before you leave that, perhaps the witness might explain the nature of the increase or how the increase was made up.

WITNESS: Well, it would take some time to make the comparison. Some indirect liabilities have become direct commitments because some municipalities have defaulted and others have reduced them.

MR. ELLIS: Q. What municipalities have defaulted and the Province as a result has had to pay the bonds?

- A. Those would be municipalities and school sections. That will take quite a bit of time to prepare.
  - Q. Give me some instances, especially cities? Is Windsor one?
  - A. Yes; some of those Sandwich, Windsor and Amherstburg Railway.
- Q. Can you mention any cities that have defaulted in their bonds and the Province have had to make good their guarantee?
  - A. I would like to refer to the file before I answer.
  - Q. Can you not give me some cities offhand?
  - A. I would not want to answer that from memory.
  - Q. Any of the Border Cities?
  - A. I wouldn't want to answer that from memory.
  - Q. Will you send out for the information?
- A. Yes. You want all payments made during the past fiscal year? It will take some little time to prepare, but I will get that.
- Q. Up to the end of the fiscal year, March 31st, 1936, you guaranteed bonds of the T. & N. O. Railway to the extent of \$6,000,000?
  - A. When was that?
  - Q. As of March 31st, 1936.
- A. I think they were guaranteed some time before. Those were guaranteed and they are shown at page 41 of Public Accounts. Those were guaranteed some years before. Mr. Ellis, if you want to detail the whole thing I will be glad to have a statement prepared and produce it for the Committee. I will give you a complete breakdown of this \$16,186,000.
  - Q. That is an excellent suggestion, and I suggest it be put in the record.

A. There will be some deductions, you see. A breakdown of increase, October 31st, 1934, to March 31st, 1936. I undertake to produce to the Committee a certified statement giving details of all the amounts making up the increase in the indirect liabilities of the Province between the dates October 31st, 1934, and March 31st, 1936. You will understand that there will be some increases and there will be some decreases.

THE CHAIRMAN: Q. It is a fluctuating thing?

A. Yes. You guaranteed the bonds of the T. & N.O., and there might be some bonds maturing out of those bonds.

Mr. Heighington: Q. Are there any forms of obligations by the T. & N.O. which do not take the form of bonds?

- A. They find it necessary to borrow money from the bank. If it is a considerable sum they approach the Government. By the Government lending its credit to the credit of the T. & N.O. they get a better rate.
  - Q. That credit has been exercised most recently, has it not?
  - A. No. It has been in operation ever since the T. & N.O. was constructed.
  - Q. But it has been exercised recently?
  - A. Yes.
  - Q. \$7,000,000 from the Bank of Nova Scotia?
  - A. No.
  - Q. What was the figure?
  - A. I think it was five million and something.
  - Q. From the bank?
  - A. Yes, and I think that has been decreased by \$600,000...

MR. MACAULAY: Q. Do you intend in the future to borrow for the T. & N.O. By them issuing their bonds and you guaranteeing the payment, or would you issue provincial bonds.

HON. MR. ROEBUCK: Mr. Walters is not in a position to state the intention of the Government.

MR. MACAULAY: He is the Finance Controller, and I am asking him his opinion.

HON. MR. ROEBUCK: He is bound by Government policy, and he does not know what that might be.

MR. MACAULAY: Q. Mr. Roebuck objects on the ground that that is a question of policy in the future. What has been your practice since you have been in office with respect to borrowings by the T. & N.O.? Have bonds been issued direct by them?

A. The T. & N.O. has never issued any bonds since this Government has been in power.

Mr. Heighington: Q. For what purpose was this loan of \$5,000,000 used in connection with the T. & N.O.?

A. The T. & N.O. was indebted to the Province of Ontario. I believe the loan was made by the former administration. I think it was \$7,000,000, and they were reducing this and were required to pay the average effective rate of interest. The Commissioner came to see me and said that he could borrow the money more cheaply. I said I would like to see him borrow the money more cheaply. If he made any arrangement within the fiscal year it would result in a loss of interest to this Government of over \$100,000 this year. Nevertheless, in order to help the T. & N.O. I concluded to recommend it to the Cabinet, and the Cabinet agreed to allow the T. & N.O. to borrow this money from the bank themselves.

Q. Then the proceeds were paid to the Province in reduction of the obligations by the T. & N.O.?

A. It was in repayment of the loan made, I think, in 1934. They were repaying it at the rate of \$100,000 a month.

Mr. Macaulay: Q. How did that affect the balance sheet of the Province for the purpose of your budget statement?

A. With respect to the surplus?

Q. No.

A. It had no effect. As a matter of fact, it hurt the surplus, reduced it by \$100,000. It reduced the gross debt.

Q. It reduced the gross debt of the Province by taking it off the Province's hands and putting it in the hands of the T. & N.O. Railway?

A. Yes.

THE CHAIRMAN: Q. Now it is just a contingent liability?

A. Yes.

MR. MACAULAY: Q. But if the T. & N.O. does not pay the Province will have to pay?

A. The Province owns the railway.

- Q. What is the difference whether the Province guarantees the obligation or signs it, the Province is the primary debtor in the obligation?
- A. There is a great difference. There is a practical difference in respect to the obligation, and there is a practical difference with respect to the cost to the T. & N.O., and there is a difference in the gross debt because indirect liabilities are never included in the gross debt in the case of any public authority.
- Q. They would be if they were a liability of a concern like the Canadian National Railways.
- A. They are not shown in the gross debt of Canada, neither has the indirect liability of this Province ever been shown in the gross debt. It is not a debt. It is never called a debt. I have seen the financial statements of practically every great corporation in Canada and they are never shown or included in the debt of the corporation.

MR. HEIGHINGTON: Q. They are shown as a contingent liability?

A. Yes, sometimes on the statement and sometimes referred to in the Auditor's report.

THE CHAIRMAN: If the first party falls down and the Government has to pay, then it is shown.

MR. MACAULAY: Yes.

THE CHAIRMAN: Then it is no longer a contingent liability.

MR. ELLIS: Q. Have you got the information as to the debts guaranteed by the Province with regard to municipalities and which had to be paid by the Province in 1936?

- A. I will produce that.
- Q. I thought you sent for it.
- A. No; it is long. In what period, Mr. Ellis?
- Q. The end of the fiscal year, March 31st, 1936.
- A. For that one fiscal year?
- Q. No, I would like to have it prior to that too, from October 31st, 1934, up to March 31st, 1936.
- A. I may say that some of these have come due and the Province has refused to renew them. The debt of the Conservatory of Music came due and the Province refused to lend its guarantee.

MR. MACAULAY: Q. Are you liable on some old guarantee there?

A. I think not, Mr. Macaulay.

Mr. Heighington: In connection with these municipalities, you are not really bound on the bonds to stand behind them, are you?

- A. Some of them. The statute has authorized the Province to guarantee these northern places, I think Haileybury.
  - Q. It was a discretionary power, was it?
- A. No, I think it was an enabling power. I will undertake to produce a statement of the indirect liabilities met by the Government between the dates October 31st, 1934, to March 31st, 1936.

MR. ELLIS: Could you have a copy of it made for me?

WITNESS: Yes.

By Mr. Macaulay: Q. Mr. Walters, before we leave the question of contingent liabilities, because it goes to the root of the budget, if you could transfer a liability for the T. & N.O. and reduce your debt by \$5,000,000 in one operation, you could reduce the debt of this Province by \$150,000,000 to-morrow by asking the Hydro to pay off the bonds issued for Hydro's purpose, could you not?

- A. Yes. I do not say this Government, but I would be very glad to advise this Government to have the Hydro or the T. & N.O. allow the Government to lend it this money instead of having it financed as it did, looking at it purely from the position of the Treasury, because it brought revenue into the Treasury. Had that operation not been carried out, the surplus of this Government would have been increased by over \$100,000.
- Q. Yes, but you show a decrease in the debt of the Province of \$32,000,000, largely not by your surplus, because that only amounts to \$7,000,000; the balance is arrived at by taking it off the direct liability of the Province and putting it in as a contingent liability, is it not?
  - A. Not largely. Not altogether.
- Q. If you have a surplus of \$7,000,000, how are you going to reduce the debt by \$32,000,000 unless you make some bookkeeping entry like that?
- A. It is not a bookkeeping entry. The gross debt of the Province varies from day to day. For example, in the Provincial Saving Offices every deposit made increases the gross debt of the Province, and every cheque issued decreases it.
  - Q. Then we should really be talking of the net debt of the Province?
- A. No, because the gross debt is the total that the investor looks at when he considers whether he will buy your obligations or not.

- Q. If you add to your debt by making a big deposit in your savings you have a corresponding asset on the other side have you not?
  - A. Yes.
  - Q. Or cash on hand?
  - A. Yes, but the thing is different when the withdrawal comes in.
- Q. Just follow my argument. To ascertain the true net position of a company you find out what the liabilities are as well as the gross debt?
  - A. Yes.
  - Q. Is that not a sound thing to do for a Government?
  - A. Yes.
  - Q. To talk about net debt instead of gross debt?
  - A. Yes.
- Q. What would you say was the reduction in the net debt of the Province in the year that is about to close? Have you ever estimated that?
  - A. Yes, but it will take some time. I meant to explain this to you.
  - Q. I want to say here and now that I think you want to be fair.
  - A. Yes, I want to explain the whole thing.
- Q. These figures are going to stand not only this year but for years to come, and I have never seen a statement anywhere by you or the Prime Minister as to the net debt, whether it went up or down; you are always talking about the gross debt.
  - A. It is in the Public Accounts.
- Q. Tell me how much the net debt of the Province is going down in this fiscal year that is about to close, if it is in the Public Accounts.
  - A. I am talking about the Public Accounts of 1936. It is in there.

Mr. Ellis: That is only the 1936 account.

WITNESS: It has all been shown.

MR. MACAULAY: Q. How much was the reduction in the net debt of the last fiscal year?

A. There was an increase in the net debt last year. I may say that the subject of net debt is a subject that has been discussed and was discussed at

the Dominion-Provincial Conference, and there are scarcely any two Provinces that agree upon the method of arriving at the net debt.

Q. It looks better to talk about a gross debt reduction?

MR. Ellis: There is no gross reduction.

WITNESS: No. You will find if you look at the advertisements in the Financial Post and the Monetary Times that the Province of Quebec show the lowest per capita gross debt of any Province in Canada, and, as Mr. Ellis knows, they want to know the gross, they want to know the whole story.

Mr. Macaulay: Q. They also want to know if you have any assets like we have in Hydro.

- A. Of course, but when you get very far away from the Province of Ontario they do not understand Hydro, and they look at it in London, England, for example, as a little fund down here. The Englishman wants to know the whole story.
  - Q. You say the net debt increased last year; do you know how much?
  - A. Yes, it is right in the Public Accounts.
  - Q. All right, let us have it.
  - A. It is on page 34.
  - Q. What does it show?
  - A. There is an increase in the net debt of \$27,000,000.
- Q. Have you made any estimate of what the increase or decrease in the net debt will be for this fiscal year?
  - A. No.
  - Q. Have you any idea as to whether it will be an increase or a decrease?
- A. I would not want to give an approximate idea, because I say there is some discussion as to the method of arriving at the net debt in the different Provinces of the Dominion. They do not agree, and we are trying to agree now and to bring all of our accounts in line with the Dominion so that the investing public will understand.
- Q. Will you give this Committee a statement before we close of the net debt position for this year?
  - A. No, because I cannot give it until the end of the year.
  - Q. Then how can you give the gross debt?

- A. I give the estimated gross debt.
- Q. Then will you give us an estimate of the net position?
- A. I would not like to.
- Q. Because it would not look as good as the other?
- A. Oh, yes, it will look much better.
- Q. Oh, you would have had it here then.
- A. Oh, no, pardon me, now, Mr. Macaulay. I do not think that is fair to me, because I have only brought what I was asked to bring. I have no reason for making the thing better than it is.
- Q. You must admit that any mathematician would wonder when he saw a surplus of \$7,000,000 and a statement right alongside of it that you had reduced the gross debt by \$32,000,000. He would wonder what had happened to the net debt, would he not?
  - A. Yes, but his curiosity will be satisfied.
  - Q. It would not be satisfied?
  - A. I say his curiosity will be satisfied.
  - Q. But it is not satisfied with the figures that you have presented so far?
  - MR. HEIGHINGTON: You mean in due season, Mr. Walters!

WITNESS: In due season.

Mr. Macaulay: Q. But in connection with the presentation of the financial affairs of the Province it is not a complete statement of the rise or fall in the gross debt of the Province unless you know what that net debt represents?

- A. I think it is the best statement to give.
- Q. But it is not complete?
- A. No.

HON. Mr. ROEBUCK: It is complete so far as the gross debt is concerned.

THE CHAIRMAN: It is complete for last year.

WITNESS: All the figures that are given are accurate, and they will be improved upon.

Mr. Macaulay: Q. If they were complete you would not need to give any figures about the net debt.

- A. All these items such as Accounts Payable and Accounts Receivable that will be completed at the end of the year are taken into consideration without arriving at that.
- Q. But you will never have another windfall like the \$30,000,000 or the \$40,000,000 in one year from the Hydro.
- A. That is not a windfall. It is a disadvantage to the Province from an interest standpoint to do what the Province has done for the Hydro. The Hydro benefits greatly by this in a saving of interest, because it saves more interest that it can earn on sinking funds under the old method.
- Q. Interest rates at the moment may have put it in that position, but the method they adopted was that recommended by the then auditors and financial experts?
- A. Yes, but what was done in connection with the old sinking funds has been extended as time went on, and was first extended I think by Chapter 12 of the Statutes of 1930, which permitted the Hydro-Electric not only to provide sinking funds but also to pay over other amounts in reduction of its debt to the Province.
- Q. But they are accumulating a large sinking fund which had not been applied to the reduction of debt, the way you applied it?
- A. It became so complicated that the first year I came in here it took a very expert man over two months to calculate the interest owing by the Hydro to the Province, and it took them six weeks to check it.
- Q. Yes, but the great benefit it conferred on you was that it allowed you to show a reduction in the debt of \$30,000,000. That was worth something, was it not?
  - A. Well, Mr. Macaulay, if this Government-
  - O. Come on, now, be frank.
- A. I want to give you both parts of the picture. If this Government had issued debentures last year or this year for \$50,000,000 or \$40,000,000, of which \$25,000,000 was for the Hydro-Electric Power Commission of Ontario, at the end of the year the people of the world would have said that the Government of the Province of Ontario increased the gross debt of the Province. Conversely, if Hydro did what they started to do when Mr. Price started his 40-year debt retirement plan—which was an excellent thing—if they do that and are able to do better than they were going to do in 1926, it naturally follows that there is a reduction in the gross debt. Now, whether it is a benefit or not, the fact remains that the gross debt is reduced by such an operation, and in reducing the gross debt you benefit the Hydro, because the Hydro looks to the day when it will not owe the Province anything and will not owe anybody else anything.
  - Q. Yes, but instead of taking it in annual increments you took a large

lump which you had in the reserve fund of \$30,000,000 or \$40,000,000 and applied it in one or two operations.

A. The Commission's Auditors, Oscar Hudson & Company, determined their share of the maturing debentures and worked out a plan which was submitted to the Treasury officials, which was found to be in agreement with their share of the maturing debentures. They might as well have taken the money down to the Bank of Montreal and said, That is our share, we owe that, take that money and pay the debentures; but inasmuch as we were on the guarantee we required that the money be put up here.

Mr. Ellis: Q. Mr. Walters-

Hon. Mr. Roebuck: I want to ask some questions now. I thought you were through. You were sitting down.

MR. Ellis: Very naturally, if any other members of the Committee want to ask any questions.

HON. MR. ROEBUCK: You have allowed other members of the Committee to ask questions, and now I want to clear up some of your misimpressions. I have the floor, Mr. Chairman, and you recognized me.

THE CHAIRMAN: If there are one or two points you want to clear up, Mr. Ellis might resume when you are finished.

Mr. Ellis: If you are not going into a full examination, I will agree, but I still have not finished with Mr. Walters, or anything like it.

HON. MR. ROEBUCK: That is quite all right.

By Mr. Roebuck: Q. You have been asked what was the increase in the debt of the Province during the present Liberal regime up to the 31st of October, 1936, and you have subtracted the gross debt of 1934 from the gross debt of 1936 and shown a figure of \$33,797,661. You have not shown the increase in the debt from the year 1934 to 1935. Would you mind giving me that figure?

- A. What figure?
- Q. The difference between the gross debt of 1934 and the gross debt of 1935. It is on page 33.
  - A. I gave that figure.
  - Q. No, you gave it from 1935 to 1936 as \$18,000,000.
  - A. No, I gave it to you.
  - Q. Well, will you give it to me again, please.
  - A. The increase was \$18,625,064.28.

- Q. What was the overdraft when this Government took office, do you remember that figure?
- A. I have a figure here that was given on page 8 of the Budget Address of 1936 which showed that from the 31st of October, 1933, to the 30th of June—

Mr. Challies: Q. Who gave that Budget Address?

A. These are figures supplied to the Provincial Treasurer by the Provincial Auditor. Mr. Ellis asked me this and I was about to answer him, the same question I am about to answer Mr. Roebuck.

MR. CHALLIES: It is not in the Public Accounts.

Mr. Colter: Answer the question.

THE CHAIRMAN: None of these questions of yours over the last ten years are in the Public Accounts.

WITNESS: Mr. Ellis asked me for this, and I undertook to send and did get this, and I have made a little calculation for him.

THE CHAIRMAN: Go ahead.

WITNESS: What was your question, Mr. Roebuck.

HON. MR. ROEBUCK: Q. I wanted to know what the overdraft was at the time we took office.

- A. What do you mean by that, the bank overdraft or the increase in the debt?
  - Q. I would like both.
- A. The increase in the debt from the 31st day of October, 1933, to the 30th of June, 1934, was \$47,621,978.44.

MR. MACAULAY: That is not in the resolution.

HON. MR. ROEBUCK: You went into it, why can't I? Now you do not like what is coming out.

THE CHAIRMAN: It is covered by the resolution.

Hon. Mr. Roebuck: Q. Mr. Walters, the total increase at the end of the year you have given us as \$18,000,000 odd, and the total increase up to the 30th of June you have given us as \$47,000,000 odd. Then do I understand—

A. Pardon me. The first question you asked me was the increase in the gross debt between the 31st of October, 1934, and the 31st of March, 1935. I thought that is what you asked me, because that is the answer I gave you.

- Q. When you are giving the increase in debt of the present regime, which was the phraseology of the question, do you give it as \$33,000,000 odd?
- A. The increase in the gross debt between the dates October 31st, 1934, and the 31st of March, 1936, was, as I have said in reply to Mr. Ellis, \$33,797,661.06. That is the difference between the third column and the first column at the top of page 33.
- Q. Yes. Well, then, how does that debt come about in 1934, is that the result of commitments made by the present Government or commitments made by the previous Government?
- A. It was on supply voted and contracts entered into by the former administration, with the exception, I think, of about \$150,000 on a contract. I am speaking from memory on that. I would not like to say that there were not some contracts after the 31st, in that 5-months period.

Mr. Ellis: I submit this is a very important question and that the witness should be in a position to state accurately what the figures are. He should be given an opportunity to look them up

THE CHAIRMAN: I think that is a fair suggestion At the next meeting he can bring in the accurate figures.

HON. MR. ROEBUCK: Yes, of the new contract.

WITNESS: I will take a note of that.

MR. HEIGHINGTON: Mr. Chairman, unless the Attorney-General has some special point to make I suggest that we adjourn until another day, especially as the witness has to look up certain matters.

HON. MR. ROEBUCK: No, I am not satisfied to adjourn at this moment, in the middle of a question.

THE CHAIRMAN: No, not in the middle of a question.

Mr. Heighington: No, not in the middle of a question, but if we are going into an extended examination, I would suggest that the hour is now ripe for adjournment.

HON. MR. ROEBUCK: Q. Mr. Walters, were there some of the commitments of the previous Government, as they stood in June, 1934, reduced in amount by the present Government?

Mr. Ellis: Mr. Chairman, I have something to say.

Mr. Colter: Mr. Chairman, every time a question has been asked somebody has jumped up and objected.

MR. Ellis: You have not heard what I have to say.

Mr. Colter: No, but every time you ask a question somebody jumps up with an objection.

THE CHAIRMAN: Make your point, Mr. Ellis.

MR. ELLIS: I want to make this point. I moved the motion that brought the Public Accounts Committee here to-day. I am conducting the examination of Mr. Walters, and it is upon my motion that he is here. Do you honestly think that it is fair that I should be compelled to cease my examination of the witness and that the Attorney-General should be permitted to interrupt and take the carriage of the proceedings whenever he sees fit and ask whatever questions he sees fit?

THE CHAIRMAN: The answer is No, I do not think it is fair, and I do not think he is trying to do that. I thought you two gentlemen had agreed that he should clear up one or two points.

MR. ELLIS: He said one or two points, and now he is going into a very extended examination. Surely I have the floor in the carriage of the proceedings. The Attorney-General can take all the time he wants to in reply and ask all the questions he wants to ask.

HON. MR. ROEBUCK: I would like the witness to answer my last question, if the reporter will read it to him.

(Reporter read: Q. Mr. Walters, were there some of the commitments of the previous Government, as they stood in June, 1934, reduced in amount by the present Government?)

WITNESS: Yes.

- O. Can you tell me by how much, roughly?
- A. I would say approximately \$12,000,000.
- Q. \$12,000,000 cut off the commitments of the previous Government when this Government took office?
  - A. Yes.
- Q. The \$18,000,000 of an increase is due then, I would take from your answer, to \$150,000 of commitments by the present Government and by the commitments in balance by the previous Government?
  - A. In large measure, I would say.
- Q. So that if you are going to calculate the increase in the debt at the present time, as you have been asked to do, as a result of this Government's operations, you would subtract from that the \$18,000,000 increase which took place in 1934?

- A. Largely. The other administration laid the egg and this administration had to hatch it.
- Q. Exactly. So that taking it on a basis of commitments, not on a basis of mere cash expenditure, the \$18,000,000 should be subtracted from the amount of the increase shown in the Public Accounts as attributable to the present Government?
  - A. Largely, yes.
  - Q. You might tell me what you mean by "largely."
- A. Well, I know they were carrying on the supply voted by the former administration, I know that they were carrying out commitments made by the former administration, but until I am in a position to exactly give you what commitments were entered into by the present Government I do not want to be put on record and then be corrected for having made a mistake.
  - Q. You are going to give these figures at the next meeting?
  - A. Yes.
- Q. So far as this examination is concerned, we can take it, until further correction in detail, that the \$18,000,000—subject to correction—should be subtracted from the increase?
  - A. Yes.
- Q. And then if you subtract the \$18,000,000 from the \$33,000,000, what do you get?

Mr. Ellis: Obviously \$15,000,000.

HON. MR. ROEBUCK: Yes, but I want the witness to give the figure.

WITNESS: It is \$15,000,000 odd.

- Q. Exactly. So the increase shown as a result of the operations of this Government is \$15,000,000?
  - A. It is the amount shown on page 33-\$15,172,596.78.
- Q. And now if you are going to get the increase at the present moment you would subtract the \$15,000,000 increase in these three years from the decrease that took place this year up to date?
  - A. That would be the result at the end of March 31st.

Mr. Ellis: Mr. Chairman, I have been prohibited from asking questions along that line, why do you allow the Attorney-General to do it? He is talking about the capital indebtedness up to the present time.

THE CHAIRMAN: I think that is right, Mr. Ellis.

HON. MR. ROEBUCK: I am very glad you rule that way, Mr. Chairman, because it shows that the ruling should have been made all the way along in connection with my objections to my friend's questions. I was not questioning your ruling, but we let many things go by in face of the violent protests of my friend, but as a matter of general principle, and that is what I want established.

- Q. To get the increase in the gross debt of this Province up to date you would subtract the increase of \$15,000,000 through 1934, 1935 and 1936 from the decrease of 1937?
  - A. Exactly.
  - Q. And you would get a total reduction in debt of \$18,000,000?
  - A. Yes.

Mr. Heighington: Mr. Chairman, I renew my motion for adjournment.

THE CHAIRMAN: Just before that motion is put I want to read a letter, and if, after I read the letter, you want to let it stand as part of Mr. Lyon's evidence, instead of recalling him, we will do so. The letter is addressed to me under date of March 15th, 1937. It says:

### "Dear Mr. Chairman:

"On pages 80 and 81 of the Report of the Public Accounts Committee, there will be found two errors, which might as well be corrected for record purposes.

# "Page 80:

"In a question asked by the Honourable Mr. Roebuck, he suggests that on a \$10,000,000 issue of 5%, which we replaced with  $3\frac{1}{2}\%$  money, we made a net gain of 1%, because the average rate of Government interest on advances made to the Hydro Commission is at least  $4\frac{1}{2}\%$ .

"The particular issue mentioned here, however, was a Government guaranteed issue of Electrical Development bonds, issued at 5%, so that the net gain made was  $1\frac{1}{2}\%$ , instead of 1% as stated in Mr. Roebuck's question.

"You will notice that my answer to the question immediately following showed that our interest saving on that particular issue was \$150,000 a year.

## "Page 81: (Third paragraph)

"Witness (that is myself) speaking of the case of one bond issue states we replaced a  $5\frac{1}{2}\%$  issue for a period of eight years at 2.65%. This should read—"We replaced a 6% issue."

"The next question—Honourable Mr. Roebuck: Question: Replacing  $4\frac{1}{2}\%$  money? The answer to this question should read— '6 per cent. They were Government bonds which we replaced with new Hydro bonds.'

"I would thank you if you would bring this letter before the Commission and ask that I be given the privilege of correcting these figures.

"Faithfully yours,

("Sgd.) T. S. Lyon, Chairman."

Have you any objection, Mr. Ellis?

MR. ELLIS: No.

HON. Mr. ROEBUCK: I move that the letter be made part of the record.

THE CHAIRMAN: Carried.

WITNESS: In connection with the questions that were asked me by the Honourable Member, Mr. Macaulay, may I table, to supplement what I said, a certificate of the Chief Accountant of the Treasury, Mr. Hugh E. Brown, Chartered Accountant, and Mr. H. A. Cotnam, Chartered Accountant, Chief Audit Accountant, bearing out what I said about the application of those moneys.

Mr. Ellis: Would you read the certificate?

WITNESS: "We hereby certify that The Province of Ontario has, as at March 16th, 1937, received from The Hydro-Electric Power Commission of Ontario the following amounts:—

"Sinking Fund Deposits—to be applied in reducing advances—As authorized by 16 Geo. V. Chap. 17 (1926), an Act to amend the Power Commission Act...........\$21,831,698.71

\$55,429,806.42

"We further certify that the Cash Repayments, the first payment being received on December 1st, 1935, and the last one on January 16th, 1937, have been used for the purpose of paying The Hydro-Electric Power Commission of Ontario's share of the debt of The Province of Ontario, maturing during that period and for no other purpose and that the amounts received in respect to Sinking Fund Deposits have been allocated under the plan of distributing Hydro Advances over Funded Debt and Treasury Bills of the Province directly against the Hydro's share of maturing loans.

"Respectfully submitted,

"Hugh E. Brown, C.A., "Chief Accountant of the Treasury.

"H. A. COTNAM, C.A., "Chief Audit Accountant."

MR. MACAULAY: That is a proper thing to file.

WITNESS: I thought so, because I made the statement I did on that authority.

### EXHIBIT No. 1:

Certificate from H. E. Brown and H. A. Cotnam re amounts received from the Hydro-Electric Power Commission.

By Mr. Ellis: Mr. Chairman, I just want to ask one more question.

- Q. The gross capital debt of the Province has been reduced by \$54,429,860.42, taken from the funds of the Hydro-Electric Power Commission?
  - A. I would say "Received" from them, because we did not take it.
- Q. It is immaterial. If you prefer to use the word "received," I prefer to use the word "take." But that is so, is it not?
  - A. Yes, it is.

MR. MACAULAY: Q. Let me put it a little more clearly, because Mr. Roebuck is over there giving the newspaper men a lecture on how to put up this debt situation to the public. I just want to correct this little bedtime story which you are giving about the debt situation before we adjourn.

HON. MR. ROEBUCK: There is no objection, I suppose.

By Mr. Macaulay: Q. Mr. Walters, what increase in the gross debt of the Province of Ontario would there be if you had not received this \$55,429.806.42 from the Hydro which was standing there in their funds if you had left it the way it was when you took office?

- A. You would have to take and subtract that.
- Q. Will you do that for me? I am asking you now how the much gross debt of the Province would have been.
- A. No, I will not, Mr. Macaulay, because I see that they have included amounts here that carry the computation up into the present fiscal year, and as the present fiscal year is not complete I would rather be excused from making that calculation.
- Q. That is fair. I would ask Mr. Walters to bring down at the next sitting of this Committee a statement which would show the position of the gross debt of the Province of Ontario as at the end of the previous fiscal year if no moneys had been received on debt retirement from Hydro or from these sinking funds.

Hon. Mr. Nixon: Mr. Chairman, I would move an amendment by having him include what the gross debt would have been if there had been no money received from the Agricultural and Development Board or any other Department

or Commission under the Government that makes returns on capital advances. All these hypothetical questions are ridiculous.

Mr. Macaulay: When you came into office you found \$50,000,000 in Hydro and you have taken it over to pay off the debt, and now you say you have reduced the debt.

Hon. Mr. Nixon: We found \$50,000,000 in the Agricultural and Development.

Mr. Macaulay: Not in reserves. The cash reserves of Hydro were over \$50,000,000, and all you did was take in the cash and cancel the bonds, and now you say you have been reducing the debt by that amount.

WITNESS: There are other amounts, Mr. Macaulay.

Mr. Macaulay: If you want to include capital receipts from the Ontario Agricultural Board, all right, you can pursue that line of questioning; but I am asking Mr. Walters if he will bring down to the next Committee meeting a statement which will show what the gross debt of the Province would be for the last fiscal year if these payments had not been made out of Hydro funds.

WITNESS: It is very sound financial policy to do this.

Mr. Macaulay: Yes, but it all gets down to the point of whether this Government created the funds or whether the debt was reduced or not.

WITNESS: I suppose they claim that they put the Hydro in a position whereby they could do this.

HON. Mr. ROEBUCK: Hear, hear.

MR. MACAULAY: You are familiar with what they did.

Hon. Mr. Henry: The money was there.

WITNESS: No, the money was not there.

HON. MR. HENRY: Mr. Chairman, I would like to move, seconded by Mr. Murphy:

That Mr. R. M. Smith, Deputy Minister of Northern Development, R. A. Campbell, former Deputy Minister of Northern Development, Mr. H. K. Morrison, Division Engineer, T. F. Francis, Construction Engineer, Department of Northern Development, and John M. Hill, Civil Engineer of the City of Toronto, be summoned to appear before the Public Accounts Committee at the next session thereof, to give evidence as to certain items at page N-39 of the Public Accounts for the year ending March 31st, 1936, and more particularly the item, page N-39, "Hewitson Construction Company," clearing and grading between the Schreiber and White River, miles 85-108.25, \$592,117.28; cutting, burning, stumping, grubbing and grading from a point 34 miles west to 48.2 miles west of Schreiber, \$281,666.59, and

to produce before the Committee all correspondence, offers, tenders, papers, documents, specifications, agreements, surveys, plans, profiles, progress and final certificates, inspectors' daily reports, engineers' monthly estimates and telegrams related to the said items.

THE CHAIRMAN: You have heard the resolution, gentlemen, what is your pleasure? (Carried.)

Do you want to meet to-morrow?

Mr. Nixon (Temiskaming): I object. The Agricultural Committee went out of its way to try and choose a morning that would not interfere with other Committees.

HON. MR. HENRY: What is coming before the Agricultural Committee?

Mr. Nixon: Mr. Mitchell of the Georgian Bay Fruit Board and Mr. Hamilton are to be here as guest speakers.

HON. MR. HENRY: I do not think that should stand in the way of this Committee functioning. If the speeches of Mr. Hamilton and others were so important why was not the Committee called a month ago? Why should it now stand in the light of most important questions in the Public Accounts Committee?

MR. NIXON: What is the matter with Friday?

HON. MR. HENRY: We will have to meet Friday morning also.

HON. MR. ROEBUCK: We cannot meet in two places at the same time. I move that we sit Friday morning.

MR. Ellis: I move that we meet to-morrow morning, Mr. Chairman.

THE CHAIRMAN: Someone over here has moved an amendment. The amendment is that we meet to-morrow morning. What is your pleasure? The amendment is lost.

HON. MR. HENRY: Why do we meet at all again? Why should we meet again? Why not pass a resolution that there should be no further meetings of the Public Accounts Committee when there is so much restriction?

Hon. Mr. Nixon: May I say that for years, to my knowledge and to Mr. Henry's knowledge, Friday morning has been reserved practically for Public Accounts meetings, and Thursday morning has generally been set aside for Private Bills and other committees.

DR. ROBERTS: Mr. Chairman, the Committee on Elections and Privileges meets on Friday morning, and since that Committee affects me very personally, and since I am a member of that Committee as well as a member of this Committee I had hoped that my Committee—I call it my Committee since I am so directly concerned—would not be side-tracked and that there would be a sufficient

number of members present so that we could get started on what I consider a very personal and important matter.

THE CHAIRMAN: That will simply be an organization meeting. The motion is that we adjourn until Friday. All those in favour? (Carried.)

Whereupon the Committee adjourned at 1.30 p.m. until 10.30 a.m. Friday, March 19th, 1937.

#### FIFTH SITTING

Parliament Buildings,
Toronto, March 19th, 1937, at 11.20 a.m.

THE CHAIRMAN: If you will come to order, gentlemen, the Secretary will call the Roll.

The Secretary called the Roll of Members.

THE CHAIRMAN: Yes, Mr. Ellis.

CHESTER SAMUEL WALTERS, resumed:

By Mr. Ellis: Q. Mr. Walters, we were dealing with the funds taken by the Province from the Hydro-Electric Power Commission, and you said that the total amount was \$55,000,000?

- A. Since the inauguration of the Debt Retirement Scheme in 1926.
- Q. What amount came from the Hydro this year?
- A. This present fiscal year?

Hon. Mr. Roebuck: I object. I urged my friend's objection just before we adjourned. You may remember, Mr. Chairman, that Mr. Ellis objected to us having anything put on the record with regard to the year 1936, and insisted upon it, and I had to bow to your ruling, so I now press Mr. Ellis's objection.

THE CHAIRMAN: It will be upheld.

MR. Ellis: It is entirely up to the Chairman.

- Q. But you said, Mr. Walters, that \$55,000,000 had been taken by the Province from the funds of the Hydro-Electric Power Commission; did you not?
  - A. I don't think I used the word "taken."
  - Q. No; that was the word I used.

- A. I said "continuing." I meant to say this: In 1926 the Honourable Mr. Price inaugurated the Debt Retirement Scheme and this included both the Hydro-Electric Power Commission and the Province of Ontario; and the statement that I have given now shows all the things in connection with the Debt Retirement Scheme.
  - Q. You might file the statement.
- A. Yes. Might I file the one which I gave to you, Mr. Roebuck, and I will initial both?

HON. MR. ROEBUCK: Q. Have you another copy?

A. You will have a copy. I will file these two so as to identify them. This is the detail, Mr. Ellis, which I gave to you and which is certified by the Provincial Auditor's Department; you remember that, the other day?

Mr. Ellis: A. Yes.

A. And this is the detail of that certificate.

THE CHAIRMAN: That will be Exhibit 2-A and Exhibit 2-B.

EXHIBIT No. 2-A:

Statement re Debt Retirement Scheme.

EXHIBIT No. 2-B:

Detail of above, certified by Provincial Auditors' Department.

Mr. Ellis: Q. Now, Mr. Walters, from what reserve did the Province take the \$55,000,000?

- A. I was not asked that, and I would not like to give evidence as to that. That concerns the accounting system of the books and records of the Hydro-Electric Power Commission.
- Q. Is there any official in your Department who could give evidence as to that?
- A. It would be sort of second-hand evidence. I would say that is a matter for the Hydro-Electric Power Commission, and it could only be answered accurately by investigation.
  - Q. You do not know from what particular fund this came?

A. I do not.

MR. MACAULAY: Q. That does not total \$55,000,000.00; does it?

A. Yes; I think you will find those figures are correct; they are certified to by the Auditor's Department.

MR. ELLIS: Q. I assume you make up a statement showing the amount of moneys paid by the Province on bonds on which they have guaranteed payment?

- A. Yes, sir; it is there.
- Q. Is that a copy?
- A. No; the blue one you have there; that is it.
- Q. This statement shows that the Province paid on bonds which they had guaranteed in the sum of \$811,248.00.
  - A. Yes; but all these guarantees were given prior to July 11th, 1934.
  - Q. Were there any guarantees given between July 11th, 1934?
  - A. Yes, sir; they are in that second statement.

THE CHAIRMAN: Do you want this statement filed, Mr. Ellis?

MR. Ellis: Yes.

THE CHAIRMAN: Then those statements will be marked Exhibits 3-A and 3-B.

EXHIBIT No. 3A and EXHIBIT No. 3-B:

Statements showing repayment of Advances by the Hydro-Electric Power Commission of its share of Provincial loans at maturity.

WITNESS: May I give a statement?

Mr. Ellis: Yes.

WITNESS: I produce a statement showing the increase or decrease in the indirect liabilities of the Province from the 31st of October, 1934, to the end of March, 1936, and I produce a statement of debentures and interest guaranteed and redeemed by the Province of Ontario for the period from July 11th, 1934, to March 31st, 1936, totalling \$811,248.40.

THE CHAIRMAN: That will be Exhibit 4.

EXHIBIT No. 4.

Statement of debentures and interest guaranteed and redeemed by the Province of Ontario.

WITNESS: Will you give those back to me, and I will table them. It is just so that I have one copy, and then I can hand you these.

Mr. Ellis: Q. Now, you have a further statement showing the increases or decreases in the indirect liabilities of the Province?

- A. That is the statement there.
- O. Yes.
- A. Those details.
- Q. Will you file that statement?
- A. I will file that one.
- Q. What was it on October 31st, 1934; you can get that from this statement?
- A. I just want to prove this from the Public Accounts. Yes; it was \$97,000,000.00.
  - Q. Will you give me the exact figure as at October 31st, 1934?
- A. The indirect liabilities of the Government as at the 31st of October 1934 amounted to—No; pardon me that is not it.
  - Q. Those are the indirect liabilities?
- A. I just want to check up on the year's statement. I have brought down the wrong book. I thought I had the Public Accounts for 1934 here. The figure is \$97,782,015.91.
  - Q. What were the indirect liabilities of the Province as at March 31st, 1936?
  - A. \$113,968,416.67.
  - Q. That is an increase of how much?
  - A. \$16,186,400.76.
- Q. What was the amount of the bonds of the Hydro-Electric Power Commission guaranteed by the Province as at October 31st, 1934?
  - A. Increase of \$16,-
  - Q. No, no.
  - A. Oh, the total?
  - Q. Yes.
  - A. May I see that—
  - Q. This is 1936.

A. I thought that was 1934 Public Accounts. I just wanted to give that myself from the Public Accounts. The figures shown here is \$81,672,006.00, even.

Q. What was the amount of the indebtedness of the Hydro, guaranteed by the Province as at March 31st, 1935?

A. \$98,638,155.00.

Q. That was an increase of how much?

A. \$16,966,149.00.

Q. Do you know what was done with the money—

HON. MR. ROEBUCK: I object. He does not know.

Mr. Ellis: I am asking the witness-

HON. MR. ROEBUCK: This witness is not the right person to give evidence.

MR. Ellis: I asked the witness the question: Could he say Yes or No?

HON. Mr. ROEBUCK: The Committee is entitled to the best evidence and not hearsay evidence.

Mr. Ellis: Q. Do you know, Mr. Walters?

A. Yes.

Mr. MACAULAY: You ought to know.

MR. ELLIS: Do you object to him giving evidence which he knows?

HON. Mr. ROEBUCK: If he knows that, then go ahead. I don't know how he knows.

MR. Ellis: Q. How was that increase used?

A. To allow the Hydro-Electric Power Commission to meet its share of the obligations to the Province of Ontario.

Q. At November 1st, 1935, were there any bonds which the Province sold that were earlier than five years?

HON. MR. ROEBUCK: Up until when?

Mr. Ellis: November 1st, 1935.

Q. At that time you had sold \$82,500,000.00?

A. No.

- O. What was the shortest period that any of the bonds were sold?
- A. What period, Mr. Ellis?
- Q. Prior to November 1st, 1935.
- A. I have that here. There was, prior to 1st November 1935, an issue on October 30th, 1934, of \$37,500,000.00, which was a serial, with the outside limit of two and a half years.
  - Q. Would you say that was very short term financing?
  - A. I would say that it comes in the category of short term financing.
- Q. Now, I want to get some other figures. What is the shortest term which bonds were sold for prior to November 1st, 1935?
- A. The first maturity was the issue I referred to, and was matured on August 30th, 1935; that is to say, one year, and that is the shortest.
- Q. Yes. Now, give us some information regarding some other bonds that were payable at a very early date.
- A. I will read, if you like, all the borrowing for the fiscal year ending the 31st of March, 1936.
  - Q. That's right.
- A. June 15th, 1935, sold \$11,841,500.00, par value, two-year bonds, rate, 2½ per cent, effective rate 2.853. These are all refunding bonds; they mature June 15th, 1937, this year. The next issue was one of the same date and the amount sold was—

HON. Mr. ROEBUCK: Have mercy on this reporter, Mr. Walters, and there are some of us here who want to get those figures.

HON. Mr. HENRY: The reporter has got it all right.

HON. Mr. ROEBUCK: There is no sense in reading figures so fast that one cannot get them down.

THE CHAIRMAN: \$100,000,000 doesn't mean anything to you, Mr. Walters, but it does to us.

Mr. Ellis: And it does to the public, especially to the Conservatives.

WITNESS: It means a lot to me, too, to find new revenue.

HON. MR. LEDUC: Q. A moment ago you said: "31st of October, 1934, for \$37,500,000;" should not that be the 30th of August?

A. I said August.

Q. I thought you said October; I am sorry.

MR. MACAULAY: Q. I thought you said October.

A. Three lawyers could not be wrong.

THE CHAIRMAN: I won't agree with that.

Mr. Ellis: Q. On what date did you sell the \$37,500,000?

- A. Pardon me, if I made that statement, I should have said August 30th, 1934. Your question was, Mr. Ellis, "Since or before November 1st, 1935."
  - Q. I said, November 1st, 1935.
  - A. I think, perhaps, in reading that I made a mistake.
  - O. Yes.
- A. In this issue of June 15th, 1935, \$8,158,500.00, maturity of five years, coupon rate three per cent, effective rate 3.035 per cent.
- Q. I think that we had better clear up what you mean by the effective rate. That is the cost to the Government; is it not?
  - A. Right.
  - Q. Is that all of the bonds that were sold in June 1935?
  - A. Those two issues.
  - Q. Which two issues?
  - A. The ones I have just read—the two years and the five years.
  - Q. Just give me the amounts.
  - A. Pardon me, the first amount I gave was \$11,000,000-
  - Q. You did not give that?
  - A. Pardon me.
  - Q. I do not think so.
  - A. Perhaps we could have the reporter read the answer which I gave.

(Reporter read: A. June 15th, 1935 sold \$11,841,500.00, par value, two-year bonds—)

MR. Ellis: Q. I am sorry; you are correct. When were these issues payable?

- A. The first, \$8,841,500.00 issue was repayable in two years; the second, \$8,158,500.00 matured in five years.
  - Q. Then you had a sale in August 1935?
  - A. Yes.
  - O. What was the amount?
  - A. \$10,000,000.
  - Q. Payable in what period?
- A. Two and a half years, two per cent coupons; the money cost 2.538 per cent.
  - Q. In other words you did not get par for your bonds?
  - A. No; the bonds were sold at a slight discount.
  - HON. MR. ROEBUCK: Q. A slight discount of 2 per cent?
  - A. Yes.
  - Mr. Ellis: Q. Then you had another issue in November of 1935?
  - A. Of \$15,000,000.
  - Q. Payable when?
  - A. Three and a half years, 2 per cent coupons, at a cost of 2.655 per cent.
  - Q. You did not get par for those bonds, either?
  - A. No.
- Q. As a matter of fact did you get par for any bonds you sold since this Government has been in office?
  - A. Yes.
  - Q. There was one issue? Give us the details.
- A. It is practically par. I think we added in the expenses of that issue. That Eight million was practically sold at par.
  - Q. When you say: "Practically at par" what do you mean?
  - A. Because we take the expenses of legal opinion and printing-
  - MR. MACAULAY: What do you pay for your legal opinion?

- A. We do not pay for legal opinion at all any more than we allow the bond purchasers to pay for that.
  - Q. You furnish the opinion to the purchaser?
- A. No; the purchasers make their offer subject to the legal opinion of Long & Daly.
- Q. In your last advertisement when calling for tenders you said that favourable legal opinion by Long & Daly will be furnished.
  - A. Not by this Government.
  - Q. The Hydro?
  - A. Not by this Government.
  - Q. You knew better than they did?

THE CHAIRMAN: Don't let us quarrel.

MR. MACAULAY: I am getting on fine. Don't you improve on it.

THE CHAIRMAN: His modesty would prevent him answering.

MR. MACAULAY: Q. You do not have the same forms for information as the Hydro has?

- A. I never read their forms or their prospectus.
- Q. Did it not ask for your advice on financial problems?
- A. Yes, they did.
- Q. But they did not follow it?
- A. That is not altogether right. They enquired from the Province of Ontario if the Province of Ontario would consent to their going to the market for so much money and for a certain period and repayable in a certain manner, because before they make any commitments they secure permission from the Government in order that the Government will guarantee their obligation.
  - Q. They did not submit the form of the prospectus to you for your approval?
  - A. No.
- Q. And you did not offer, as they did, the favourable legal opinion of Long & Daly?
  - A. No. We make the other fellow pay for that.

HON. MR. ROEBUCK: Q. You have not paid any \$40,000 for the opinion of bankers; have you, Mr. Walters?

A. Not yet.

MR. MACAULAY: He has a high regard for the Bankers' views; haven't you?

THE CHAIRMAN: I do not think that the witness should be asked that.

Mr. Macaulay: We asked the witness the other day who he consulted and he told us it was Mr. Spinney of the Bank of Montreal.

HON. MR. ROEBUCK: That does not subject him to the necessity of giving the personal opinion of the various people he consulted.

MR. MACAULAY: Not at all. I asked him if he valued the opinion of the bankers.

HON. Mr. ROEBUCK: He evidently does not value them well enough to pay \$40,000.

MR. MACAULAY: Not directly.

WITNESS: The mistakes of this world are made by men mistaking the half truth for the whole truth, so that when anyone sells debentures they should be satisfied if they get all the possible information.

- Q. That is why you get the opinion of bankers as well as others?
- A. Yes; realizing that in the multitude of counsel there is wisdom.
- Q. I think you are wise.

MR. Ellis: Q. This fact remains that at no time during the present regime did the Province ever succeed in selling bonds at par?

- A. No; and it would not want to, because you get a better price from financial institutions to put in a lower coupon rate, at a discount, rather than a higher coupon rate and paying a premium. They don't like to pay a premium.
- Q. They did not object to paying a premium for the bonds sold in June 1935 at \$100.92; did they?

HON. MR. ROEBUCK: What was the effective rate?

Mr. Ellis: 2.18, lower than any bond you ever sold. In other words Toronto got a better price than any bonds which you sold?

HON. MR. ROEBUCK: What was the amount of the issue?

MR. Ellis: \$2,275,000.

HON. Mr. ROEBUCK: Just a small amount.

MR. Ellis: A large amount for the City of Toronto.

HON. Mr. ROEBUCK: On what date do they mature?

MR. Ellis: Just the same as you have been selling your bonds.

HON. MR. ROEBUCK: A short term and a low amount. That is an especially favourable rate on a single issue.

Mr. Ellis: Yes; but a better rate than you were able to get at any time.

Hon. Mr. Leduc: At about the rate the Government sold its last issue?

MR. ELLIS: Yes; and more than half the rate Toronto had to pay than it had to pay during 1934.

HON. Mr. ROEBUCK: Q. Does that impress you particularly—that the City of Toronto through the single issue for a small amount received a particularly favourable rate; with regard to your judgment as to the value of the rate you received?

A. The price of bonds, like the price of anything else depends upon the security, and the law of supply and demand. It might be that to-day, for example, the Canada Life is in the market for \$100,000 or \$500,000 of debentures and it might happen at the time the market would have a large amount of the Province of Ontario bonds, and for the purposes of diversification it might just happen to suit them to take some bonds of the Province of Quebec or the City of Toronto. As there is trouble as in England and the United States because of a change in the Federal Bank reserve, the first person to sell very often is the person who has the most bonds, and because of the fact, say, there are three or four thousand dollars of bonds outstanding for Ontario as to the Province of Quebec, in buying as in selling, the supply available often influences the prices, and is not in any sense a criterion of the credit standing of either, because if this Government wanted \$10,000,000 this morning, in ten minutes it could get it from the bank at a rate lower than any other province in Canada.

Mr. Ellis: Q. Lower than the Province of Quebec?

A. Yes.

Q. You are talking of Treasury bills?

A. Yes.

Q. We will come to those later. In 1935 and 1936 the bond market was unusually favourable, was it not?

A. It was strong; yes.

- Q. In other words, there was a great deal of money available and you could borrow at a very cheap rate?
  - A. For certain periods; yes.
- Q. As a matter of fact at a cheaper rate than the Province has been able to borrow for very many years?
  - A. Before that time and not since.
- Q. In other words, to-day the Province of Ontario cannot sell its bonds at as good a price as it could in 1935 or 1936?
  - A. Neither can the Dominion of Canada nor Great Britain.
  - Q. But you agree that Ontario cannot?
  - A. You are quite correct.
- Q. What was the total amount of the outstanding Treasury bills—No there is something else I want to go into first. In June of 1935 the Province tried to sell \$15,000,000 in bonds, did it not?
  - A. It offered them for sale; called for tenders.
  - Q. Did you get any tenders?
  - A. No, sir.
  - Q. Not one?
  - A. Not one.
- Q. Well, in June 1935 the City of Toronto did not have any difficulty in selling its bonds; did it?
- A. I have not the history, but I would not be surprised if your statement is correct. I have a statement of all these sales, but I could not answer that question.

THE CHAIRMAN: How is it pertinent to this enquiry as to whether or not the City of Toronto could sell any bonds? I cannot see any connection.

Mr. Ellis: I think it is very pertinent. We are dealing with the total gross debt of the Province, and I want to get the details of the gross debt as to how it was made up, when the bonds were sold and at what price.

THE CHAIRMAN: You are quite entitled to. How is the fact that the City of Toronto could get a good or poor price relevant to the Province of Ontario?

MR. Ellis: I think it is very relevant. We may discover that the Province should have sold bonds at a higher price than they received.

THE CHAIRMAN: Very good.

HON. MR. ROEBUCK: It would be some job.

Mr. Ellis: It was.

HON. MR. ROEBUCK: No; it would be some job for you to show that the bonds were sold for less than Mr. Walters or the Government could get.

Mr. Ellis: I don't think so.

HON. MR. ROEBUCK: Go on with it.

MR. Ellis: That is exactly what I am doing.

- Q. Well, in any event, with regard to the issue of \$15,000,000 worth of bonds in June 1935 you failed to get any offer whatever from anyone?
  - A. Correct.
- Q. What was the rate of interest of that issue, and when were the bonds repayable?
  - A. Which issue?
  - Q. The one in June of 1935,—the \$15,000,000.
  - A. The one we sold?
  - Q. The ones you did not sell.
  - A. I have forgotten the coupon rate.
  - Q. You don't remember the rate?
- A. No. Of course, the coupon rate is the only rate the Province agreed to pay on the obligation, and it had nothing to do with the price to sell it at.
- Q. Do you know that the City of Ottawa were able to sell bonds in May 1935 without any difficulty at all?
- A. I don't know, but I would not be surprised. The credit of the Capital City of almost every country is generally about the strongest of any municipality.
- Q. The credit of the City of Toronto is better than that of the Province also?
  - A. It is not; it is not as good.
  - Q. Do you know anything about their sales of bonds?
  - A. I think, recently, they sold bonds of the Harbour Commission, because

I know they came to me and were very anxious that legislation should be prepared abrogating the gold clause, and—

Q. Do you know they also sold-

THE CHAIRMAN: Let the witness answer.

WITNESS: ... the price they got was less favourable than the Hydro received.

HON. Mr. ROEBUCK: Do you know the amount they sold at?

A. I was told.

Mr. Ellis: Q. Well?

A. I had information from the broker's office over the telephone that the cost of the Harbour Commission issue was 3.6.

HON. MR. ROEBUCK: Q. What was the price of the Hydro issue?

A. I believe 3.3750.

MR. Ellis: Q. The same maturity?

A. I cannot tell you the maturity of the Harbour Commission.

Q. They were serial bonds?

A. Yes.

Q. And the Hydro bonds were not serial bonds?

A. Certainly.

HON. MR. ROEBUCK: They were payable at different times.

Mr. Ellis: Q. That makes a great difference; does it not?

A. At certain times serial bonds are good, and at other times it is a great disadvantage.

Q. The last issue you sold were serial bonds?

A. Yes.

Q. Did you think you were wise in selling serial bonds?

Hon. Mr. Roebuck: I object.

WITNESS: I like serial bonds.

HON. MR. ROEBUCK: Q. Were these Hydro bonds long term bonds?

- A. Shorts; they call them medium shorts.
- Q. Ten years?

MR. Ellis: Q. That is short term financing?

A. What you call medium shorts. I doubt if you can sell bonds on long terms unless you pay a lot of money, because in these difficult times, with so much money being put out all over the world, nobody wants to put his money away for over ten years. You cannot very well sell long term bonds unless you pay through the nose.

- Q. What is the longest term any portion of serial bonds sold by the Province is payable at?
  - A. The longest?
  - O. Yes.
  - A. 1962.
  - Q. It is a little more than ten years?
  - A. Yes.

HON. MR. ROEBUCK: When was that?

MR. Ellis: That was in January of this year.

WITNESS: January. If they had been shorts they would have been snapped up.

MR. Ellis: Q. They were not snapped up?

- A. No.
- Q. I think that the public were informed they were snapped up.
- A. I don't know anything about that.

HON. MR. ROEBUCK: Q. You did not inform the public that they were snapped up?

A. Never.

MR. Ellis: Q. As a matter of fact you also said that there was a portion still unsold?

A. Yes.

- Q. Now, I want to deal with the Treasury bills, and I want you to tell me the total amount of the Treasury bills as at October 31st, 1934.
  - A. I have not that 1934 book with me.

Mr. Ellis: Mr. Chairman, we will just wait until the witness has the accounts for 1934.

WITNESS: By mistake I was given two 1936's. I will send for the right books

MR. MACAULAY: Q. While we are waiting for these accounts to be brought in, last session I asked you to file a statement, which you agreed to do, as to what the debt would have been at the end of the fiscal year 1936 if these Hydro repayments had not been paid; do you remember that?

- A. My recollection is that Mr. Roebuck objected to me answering.
- Q. Oh, no, he did not object to that.
- A. Could you refer to the notes? I did not understand that I had undertaken that, Mr. Macaulay.

HON. MR. ROEBUCK: Mr. Chairman, I would like the reporter to read the question.

(Reporter read: Q. While we are waiting for these accounts to be brought in, last session I asked you to file a statement, which you agreed to do, as to what the debt would have been at the end of the fiscal year 1936 if these Hydro repayments had not been paid; do you remember that?)

HON. MR. ROEBUCK: Then, I object to that, Mr. Chairman, on the grounds that it is a hypothetical question under which the witness is under an obligation to speculate. My friend can do the adding and subtracting himself if he wants to go into theories and speculation.

MR. MACAULAY: It is a question of plain calculation of the public debt, and I do not know what right the Attorney-General has to prevent the Controller of Finance telling us what the debt is with the repayments made and what it would have been if these repayments from the Hydro had not been received.

HON. MR. ROEBUCK: My friend can do that himself if he wishes to, Mr. Chairman. I submit that the witness should not have to make the hypothetical calculations.

MR. MACAULAY: It is not hypothetical; I am asking what the debt is.

HON. MR. ROEBUCK: Why not ask him what the calculation would have been if the Henry Government was re-elected.

MR. MACAULAY: We know that most of the things that you ask are foolish.

HON. MR. ROEBUCK: I know of nothing more foolish than yours.

THE CHAIRMAN: Can we not conduct the affairs of this Committee as though we were a large family and without these recriminations between the counsel?

HON. Mr. ROEBUCK: I have no personal recriminations. I was purely the one attacked.

WITNESS: I do not believe you should press that question, for this reason, that when you prepare the Budget and set down what you expect to get from this source or that source, you naturally map out your spending programme and the financial programme, having those revenues and receipts in view. Now, had the Government not had these receipts in view and my advice had been asked, if the money was not coming in I would have advised retrenchment in some other direction. I say with all respect that I do not think it is a fair question, but the policy of the Government might have been altered.

MR. MACAULAY: Q. If they had not counted on these payments they might not have spent so much money. You expect to get money and you expect to spend it.

A. I would not advise the Government to spend if they did not have the money.

Q. I am asking you a question and I am going to press it notwithstanding the objection of the Attorney-General. The question I am asking you is: At the end of the fiscal year, at March 31st, 1936, what would have been the gross debt of the Province if it had not received these capital repayments from the Hydro?

HON. MR. ROEBUCK: I press my objection and ask for a ruling, Mr. Chairman.

MR. MACAULAY: What harm is there in that?

THE CHAIRMAN: If the witness can answer I do not see any serious objection to it.

MR. MACAULAY: You can get it from the public records.

WITNESS: Mr. Macaulay, I want to give you a direct answer and I am anxious to, but I do not believe, if you will allow me to make this statement, you will ask for a direct statement. You cannot sit here in this position and say what would have been the debt if you did not receive the repayments. As soon as the Government see that they have money in sight they plan to use that money for payment of debts and reconstruction and new work; not having that money in sight I would have certainly advised a different financial programme from the one we are following.

MR. MACAULAY: Q. That was not ordinary revenue; that is capital payment?

A. It does not matter. It affects the cash position of the Government.

I am not concerned whether it is ordinary revenue or capital revenue for it all eventually affects the financial standing of the Province.

Q. I am interested in knowing what the gross debt and the net debt of the Province is, that is the only way I can approach it.

THE CHAIRMAN: Apparently it is quite clear from the answer of the witness. You are getting into the realm of fancy and theory.

MR. MACAULAY: No; I am not.

WITNESS: I think the question is a natural question, and it is fairly put, but I think my answer is fair, too.

MR. MACAULAY: We have got that answer, and all I am asking is for him to make that answer for me.

HON. MR. LEDUC: Make it yourself.

MR. MACAULAY: He is a better mathematician than I.

HON. MR. ROEBUCK: It is not a calculation you want, but you want to trap the witness.

THE CHAIRMAN: That is only theorizing and speculating as to what might have been. I cannot see how the witness can answer that question any more than he has.

MR. MACAULAY: I am asking for a ruling, Mr. Chairman.

THE CHAIRMAN: My ruling is that the witness has answered it in the best way he can answer.

MR. MACAULAY: Do you not think you could answer it better than that?

MR. COLTER: The ruling has been made.

WITNESS: I think if I answered that question in a different way it would look like a question I once asked my mother when I said, "Mother, if I wasn't your little boy, whose little boy would I have been?" because the whole set-up would have been different, Mr. Macaulay, and the Government is bound to have acted differently.

Mr. Ellis: Q. You got \$55,000,000 from the Hydro; did you get any money from any other source on capital repayment?

- Q. That \$55,000,000 came in over a period of years from 1926.
- Q. But did you in 1936 get money from any other source?

A. Yes.

- Q. To help you in reducing the gross debt of the Province?
- A. Statement No. 1, Capital Receipts, page 22 of the Public Accounts—
- Q. Of what year?
- A. 1936.
- Q. What was the total sum taken by the Province from all sources up to March 31st, 1936, to reduce the gross debt of the Province?

HON. MR. ROEBUCK: "Received" would be a more correct word than "taken."

Mr. Ellis: I prefer the word "taken."

HON. Mr. ROEBUCK: The witness can probably answer whether it was taken or not.

THE CHAIRMAN: "Used" would be a good word.

HON. MR. ROEBUCK: "Received" is the proper word.

WITNESS: \$1,928,717.32.

Mr. Ellis: Q. That was used by the Province to reduce the gross debt of the Province?

- A. Yes, that is the only thing it could have been, unless they spent it.
- Q. Now, Mr. Walters, were there any outstanding accounts on the 31st of March, 1936, that the Province had not paid?
  - A. Outstanding accounts that were due?
- Q. No, outstanding accounts as of March 31st, 1936, that the Province had not paid?
- A. I understand that there were none. I mean none that were received within the time prescribed by the statute.
  - Q. Are you certain of that?
  - A. I am so informed by the Provincial Auditor.
- Q. Does your answer apply to the capital outstanding accounts as well as the ordinary outstanding accounts?
  - A. Yes.
- Q. Now I want to deal with the question of treasury bills. Will you tell me the amount of outstanding treasury bills as of October 31st, 1934?

- A. It is on page 40 of the Public Accounts of 1934. The total amount outstanding was \$20,935,000.
  - Q. What was the total amount outstanding as of March 31st, 1936?
  - A. \$50,000,000.
  - O. That means a net increase of how much?
  - A. \$29,065.000.
- Q. So during the present regime the outstanding treasury bills of the Province increased \$29,065,000?

HON. MR. LEDUC: I object to that question, Mr. Chairman. The question is unfair, Mr. Ellis. You said under the "present regime." The present regime started on the 11th of July, 1934, and not on the 31st of October, 1934.

Mr. Ellis: Q. All right, what were the outstanding treasury bills as of July 11th, 1934?

A. \$47,535,000.

Hon. Mr. Roebuck: Q. So now what will be the increase over the 11th July, 1934?

A. You say "now"?

HON. MR. LEDUC: March 31st.

Mr. Ellis: The Attorney-General said "now."

HON. MR. LEDUC: He means that date.

Mr. Ellis: How do you know he does?

WITNESS: The increase in the outstanding treasury bills between the 11th day of July, 1934, and the 31st of March, 1936, was \$2,465,000.

HON. MR. ROEBUCK: That is not quite the same as \$29,000,000.

MR. Ellis: What is the outstanding amount now?

A. \$38,000,000.

HON. MR. LEDUC: Q. Which is a decrease of how much since the 11th of July, 1934?

A. \$9,535,000.

MR. ELLIS: Q. The treasury bills are short term loans, are they not?

- A. Yes.
- Q. And you borrow from the bank?
- A. Not always; we sometimes sell them to other people.
- Q. You borrow wherever you can get the money?
- A. Yes, to the best advantage.
- Q. What rate of interest did you pay on the various borrowings on treasury bills in 1936?

HON. Mr. ROEBUCK: That is, during the fiscal year of 1936?

Mr. Ellis: Yes.

WITNESS: You want the different borrowings?

Mr. Ellis: Yes.

WITNESS: They range from 2 per cent,  $2\frac{1}{4}$  and one at  $2\frac{1}{2}$ .

- Q. And one at 3?
- A. And one at 3, yes.
- Q. Do you know what rate of interest the Province of Quebec were paying on treasury bills which they had issued during 1936?
- A. I do not. I question whether anybody else knew. I think it was never made public.

 $\ensuremath{\mathsf{MR}}.$  ELLIS: I agree. They will not give you anything at all. I have tried them out.

HON. MR. ROEBUCK: Then it is to be presumed that they are paying more than we are paying?

MR. ELLIS: No.

WITNESS: Mr. Ellis's question had reference to that time, not now.

- Q. In 1936 you were paying 2 per cent,  $2\frac{1}{4}$ ,  $2\frac{1}{2}$  and even up to 3 per cent on your treasury bills?
  - A. Yes.
- Q. Will you not agree with me that the Dominion never paid more than 1 per cent on its treasury bills in 1936?
  - A. You cannot compare the borrowings of the Dominion Government on

treasury bills with any other public authority in Canada, because of the arrangement they have with the Bank of Canada, and because of the Finance Act which provides that treasury bills of the Dominion of Canada are cashed with the joint stock or chartered banks.

Q. But you still agree with me that in no case did the Dominion pay a rate of interest in excess of 1 per cent?

HON. MR. ROEBUCK: Q. If you owned the Dominion Bank, I suppose you could get a low rate too, Chester?

A. I would make them pay me for taking treasury bills.

Mr. Ellis: Will you answer my question, Mr. Walters?

WITNESS: We keep a record of the sale of treasury bills because we believe that the sale of treasury bills shows the trend of money. I believe that the last treasury bills sold by the Dominion of Canada ran somewhere down to about .62.

Q. Yes.

A. Somewhere about two-thirds of one per cent. They were very short, generally 60-day treasury bills. Some of ours were from one year to two years.

THE CHAIRMAN: Almost like call money.

Mr. Ellis: Q. Why did you have to borrow in 1936 \$50,000,000 on treasury bills?

A. I believe it was right to borrow on treasury bills, because these treasury bills represent current expenditures which I think it would be unsound to fund; but should be carried and reduced as far as the revenues permit ultimately retiring them out of revenue.

Q. Retiring all of them?

A. Yes.

Q. Then you agree with me that the Province would be very much better off if it did not borrow at all on treasury bills?

HON. Mr. ROEBUCK: Why not make the question more inclusive and say, Would it be very much better off if the Province did not have to borrow at all?

MR. ELLIS: Let him answer my question, then you can put your question to him.

WITNESS: Borrowing on treasury bills is not unsound. It is resorted to. I think the British Government have sometimes a billion dollars out on treasury bills, and they finance very cheaply in that way, but the joint stock banks of England have certain privileges and the Bank of England makes certain arrangements regarding treasury bills. There is not much difference between a treasury

bill and a debenture when you issue a 2-year treasury bill, except for the denomination. If you put coupons on you might just as well have issued a debenture.

- Q. Would it be better in issuing debentures?
- A. No, because you couldn't get as good a price, for the reason that treasury bills are more readily saleable, and oftentimes at the end of a fiscal year you will find treasury bills you sold to one bank turn up in another.
- Q. You have had to pay 3 per cent on treasury bills and you have been able to borrow on bonds at a lower rate than 3 per cent?
- A. These treasury bills were treasury bills that I found in the treasury when I was appointed.

Mr. Glass: Ha, ha!

WITNESS: I did not mean to infer that they were sold by a former Government. They were sold by this Government.

Mr. Ellis: You see, Mr. Glass, you were wrong, as usual. Some day you will be right on something, though I even doubt that.

Witness: I meant to say that I did not come into the treasury until the year 1935.

Mr. Ellis: Yes.

WITNESS: I am not suggesting that they were not sold at the best possible advantage at the time.

- Q. But you think the rate of interest was a little high, though, do you not?
- A. Well, the bank could have acted a little softer.
- Q. Yes, but you still think that the rate of interest paid in 1936 on your treasury bills was high?
  - A. Well, the debt was high.
- Q. I am not asking you that, though I agree with you that it was. It was very materially increased from October 31st, 1934, up to the present time.

Hon. Mr. Roebuck: No, not up to the present time. The gross debt has decreased.

WITNESS: I meant to explain this, that when you don't want money on treasury bills the banks are after you to lend you money, but when you need money, and need a lot of it, they jack the rate up.

MR. Ellis: Q. You agree with me that the rate paid in 1936 was high?

A. It was higher than I liked.

MR. ELLIS: Higher than I like, too.

THE CHAIRMAN: Q. It is always higher than you like, is it not, Mr. Walters?

A. Yes. I guess I am hard to satisfy.

MR. Ellis: Q. As a matter of fact, you were able to sell bonds of the Province in 1936 at a better rate than you were paying on your treasury bills?

A. Yes, but the treasury bills had been issued before the bonds were sold.

HON. MR. ROEBUCK: Q. Was that in whole or in part? You ran from 2 to 3 per cent on treasury bills. What was your bond rate that is being referred to here?

A.  $2\frac{1}{2}$  per cent, but that is very easily understood.

HON. MR. ROEBUCK: That is higher than some of your treasury bills.

WITNESS: It is very easily understood, because on one day, say in May, 1935, treasury bills were issued at a cost of 3 per cent. Forty-five days later the Government made a better deal than they could make on treasury bills. Later on the bonds were issued and the Government made a better deal on treasury bills, and in this year we sold 12-months treasury bills at 13/4 per cent, coupon rate. It was the time, Mr. Ellis, that had to do with it.

Q. Would you mind giving me the actual amounts of treasury bills issued? You said they ran at 2,  $2\frac{1}{4}$ ,  $2\frac{1}{2}$  and 3 per cent.

Mr. Ellis: It is on page 40 of the Public Accounts.

WITNESS: These are the outstandings.

O. As of what date?

A. Those outstanding as of 31st October, 1934. The first treasury bill was issued on June 1st, 1934, and matured on November 1st, 1934. The rate was 4 per cent.

HON. MR. ROEBUCK: Q. How much?

A. Four per cent.

MR. ELLIS: Q. What was that amount?

A. The first amount?

Q. The amount of those sold in June, 1934, was how much?

A. \$10,000,000.

Q. What date in June was that?

A. First of June. The next treasury bill was sold on the 2nd of February, 1931.

HON. MR. ROEBUCK: 1931?

WITNESS: I do not think that treasury bill had much to do with credit. I think that treasury bill was issued at 5 per cent, and I think probably the Government gave a good rate on that, because it was to the Returned Soldiers' Canteen Fund.

MR. Ellis: What was the amount of that?

A. \$835,000.

HON. MR. ROEBUCK: Borrowing money as a matter of philanthropy?

WITNESS: No. I meant to say that there is a Canteen Fund which is administered by some returned soldiers. I think Major Lewis is the Chairman, and they want to invest their money. The officers in charge of the funds are doing the work for nothing. I understand from Major Lewis that the Government in 1931 said, We will take this money and give you a treasury bill for it and pay you 5 per cent.

Mr. Ellis: We are not dealing with that, we want those issued in 1936.

WITNESS: Pardon me. I was reading you the treasury bills outstanding as of the 31st of October, 1934.

Mr. Fllis: No, we want 1936.

HON. MR. ROEBUCK: I want those, Mr. Ellis.

WITNESS: The next was issued on the 12th of September, 1934.

Mr. Ellis: Q. What was the amount of those issued in February?

A. February, 1931, \$835,000. On September 12th, 1934, 2-year treasury bills were sold, maturing September 12th, 1936. Three per cent was the rate, and \$10,000,000 the amount.

HON. MR. ROEBUCK: That is a drop of 1 per cent from June, when the previous Government was in office, to September 12th, when the present Government was in office, on the same amount.

Mr. Ellis: Q. Had not the money market very materially improved in 1934 as compared with 1931?

HON. MR. ROEBUCK: That would be your opinion, Mr. Walters.

MR. ELLIS: Certainly, that is what I want.

HON. MR. ROEBUCK: Q. Would you give me your opinion to-day on whether the Government had also improved?

MR. ELLIS: Let him answer my question first and then he can answer yours.

WITNESS: There was a marked improvement in conditions in the country. The middle of February, 1933, was supposed to be, I think, the lowest point in the depression.

Mr. Ellis: Now you can answer the Attorney-General's question.

Hon. Mr. Roebuck: Everybody knows the answer.

MR. ELLIS: No, I do not know it.

HON. MR. ROEBUCK: Then you are the only one in Ontario who does not know the answer.

MR. MACAULAY: I do not know the answer.

MR. Ellis: What is the answer to the Attorney-General's question?

MR. COLTER: You know that would be unfair.

Mr. Kidd: Mr. Chairman, I think you had better rule out the Attorney-General's question.

HON. MR. ROEBUCK: I wanted to know whether the Government had also improved.

WITNESS: The history of Governments is sometimes written hundreds of years after the Government is dead.

MR. Ellis: Q. And do you not agree with me that this one will in a very short time be dead?

HON. MR. ROEBUCK: I do not believe the witness had finished his answer. He was proceeding to give us the terms of another issue on the 31st of October, 1934.

Mr. Ellis: You would not like him to answer the question.

HON. MR. LEDUC: I would.

HON. MR. ROEBUCK: He will answer it all right.

WITNESS: The last treasury bill on this list is a demand bill that was sold on the 31st October, 1934, for \$100,000.

MR. ELLIS: Q. How much?

A. \$100,000; and while I have not the details here I would say that it

probably represents short investments either for the Workmen's Compensation Board or the Hydro-Electric Power Commission which had some surplus money at the time.

HON. MR. ROEBUCK: Q. What was the rate on that?

A. Three per cent.

Mr. Ellis: Q. Have you since you became Controller of Finance—

Hon. Mr. Roebuck: You have not completed your answer to my question, and perhaps you would go on. My friend was asking about the treasury bills of 1936, and you answered 2,  $2\frac{1}{4}$ ,  $2\frac{1}{2}$  and 3 per cent, and I asked the details. You commenced on June 1st, 1934. Now would you proceed and give them all to me?

A. I will give you the treasury bills sold during the five months period from the 1st of November, 1934, to the 31st of March, 1935. On November 1st, 1934, \$10,000,000, coupon rate 3 per cent, sold at par, date of maturity May 1st, 1935. On the same date there were treasury bills in the sum of \$5,000,000 at 3½ per cent, maturing February 1st, 1935.

MR. Ellis: Q. Do you not think that is a very high rate of interest?

HON. MR. ROEBUCK: Not as high as it was just shortly before that.

MR. Ellis: Q. Do you not think that was a high rate of interest?

A. That was a 3-months treasury bill.

Q. And do you not think that was a high rate of interest, 31/8 per cent?

A. It is higher than we are paying now.

HON. Mr. ROEBUCK: And lower than they were paying when they were in office.

MR. Ellis: Q. Do you now think it was a high rate of interest?

A. Well, I have spent most of my time telling the banks the rate was too high.

Q. So you agree that that was a high rate of interest?

A. Yes, it was too high for my taste.

MR. MACAULAY: Who bought these two treasury bills?

A. The chartered banks.

Q. Who was the official purchaser on your records, more than one bank?

HON. MR. ROEBUCK: Q. Were you in charge of the treasury at that time?

- A. I was not.
- Q. Who was in charge at that time?
- A. The Deputy Provincial Treasurer was J. T. White, K.C.
- Q. That is the gentleman who was in charge for a number of years prior to that?
- A. I do not know; I know he was with the Government, I do not know in what capacity.
  - Q. He was one of the carry-overs from the old administration?
  - A. He is very ill now. Do you want me to proceed?

Mr. Ellis: Yes.

WITNESS: The next one was on December 1st, 1934, \$7,000,000 at  $2\frac{7}{8}$  per cent.

Q. Do you not think that was a high rate of interest?

HON. MR. ROEBUCK: It is getting better.

WITNESS: A quarter of one per cent better than the other one.

MR. ELLIS: Q. Yes, but do you not still think it was a high rate of interest?

A. No, I think that is right on the market.

Q. Well, in August of that year you sold, or the Government sold, \$37,500,000 worth with interest at  $2\frac{1}{2}$  per cent?

HON. MR. ROEBUCK: We are getting better straight along.

HON. MR. LEDUC: Do you mean August of 1935 or August of 1934?

Mr. Ellis: 1934.

HON. MR. LEDUC: We are in 1935 now.

MR. ELLIS: I realize that.

HON. MR. LEDUC: My mistake, I am sorry.

MR. ELLIS: Q. If your Government was able to sell bonds in August, 1934, bearing 2½ per cent interest, that obviously is a much better deal for the Government than the three last issues of treasury bills to which you have referred?

- A. That does not necessarily follow at all. For example, the Dominion Government sold perpetuals last year, I think, at about 97, and in eleven days those perpetuals dropped to 90, and have been traded on the street at 82. So time is a factor. In these days of chance and change two days makes a difference in the rate.
- Q. Certainly. As a matter of fact, my opinion is, and I think you will agree with me that it is bad financing to sell bonds payable perpetually?

A. Well-

HON. Mr. ROEBUCK: I do not want the witness to answer that.

WITNESS: I will give you my opinion on that privately, and I think it will agree with yours.

Q. Now December 1st was your last, Mr. Walters?

A. Yes. The next one was December 15th, \$5,500,000, 3 per cent. That is a 3-month treasury bill. The next was June 31st, 1935, \$10,000,000.

Mr. Ellis: Q. And the rate of interest?

A.  $2\frac{1}{4}$  per cent.

Hon. Mr. Roebuck: Ha, ha,—getting better.

Mr. Ellis: Probably that was about the time Mr. Walters was appointed.

WITNESS: The next day, I think. However, I weakened a little later on in the story. That was a good sale. That was a 2-year treasury bill.

Q. And what was the rate of interest?

A.  $2\frac{1}{4}$  per cent. On February 15th we sold a similar amount, the same coupon rate, the same currency,  $2\frac{1}{4}$  per cent, a 2-year treasury bill.

HON. MR. ROEBUCK: You are keeping it up, then.

WITNESS: Then on November 27th we sold a \$1,000,000 treasury bill payable on demand. The rate was 3 per cent.

Mr. Ellis: Getting worse.

WITNESS: No. I can verify that if you are interested. I think the one sold on the 15th of December for \$1,000,000 was sold to the Hydro-Electric Power Commission. They did not want to be stingy on the rate.

- Q. Yes, but in November, 1935, the Government sold \$15,000,000 worth of bonds at a yield of 2.65. That, obviously, is better than 3 per cent, is it not?
  - A. There is no doubt about that.

- O. There is no doubt about that?
- A. There is no doubt about that; but there is a difference in financing. Those debentures that were sold on the 30th of August, 1934—
- Q. No, I am referring to the ones sold in November, 1935, bearing 2 per cent interest, not 3.
  - A. That is at 2 per cent?
  - O. Yes.
- A. Well, that was used for a different purpose. That was a refunding, and when you have people coming in with their obligations and want their money very often you give them a new note and make a good bargain.
- Q. Yes, but if instead of borrowing on treasury bills in November, 1935, at 3 per cent you had sold more bonds than the \$15,000,000 actually sold you would have saved the Province some money?
- A. You can only sell the amount of bonds at a given time that the market will take. There is a point of saturation.
  - Q. What was the amount of treasury bills sold in November, 1935?

HON. Mr. ROEBUCK: On the 27th of November there was \$1,000,000 at 3 per cent sold to Hydro.

Mr. Ellis: Yes.

WITNESS: You are talking about that \$1,000,000 in the month of November?

- Q. Yes, November 27th.
- A. \$1,000,000.
- Q. What was there to stop you from selling another additional \$1,000,000 over and above the \$15,000,000 issue that you sold in November at 2 per cent?
  - A. What was there to stop us?
  - Q. Yes.
- A. Well, I had nothing to do with that transaction, but I would say that when they made the issue and offered it for sale it is quite likely that they did not need any more money on that particular date, and there was no use going into the market and selling debentures and putting them in the bank without interest when there was no immediate use for the money.
- Q. They did need money on the 27th of November or they would not have borrowed that money?

- A. That was twenty-seven days later, and I doubt if they needed the money on that date.
  - Q. Why did they borrow it, then?
- A. It probably happened that Hydro said, We have \$1,000,000 of surplus money, can you use it, we would like to put it out for a short time? All right, we might have used that instead of creating an overdraft at the bank.
- Q. Would you not have been better advised not to borrow it from Hydro at 3 per cent when your other borrowings in 1935 were at 2½ per cent?
- A. No, because that was only a very short term obligation. It was payable on demand and might have been paid back the next week.
- Q. Do you think it is good financing to have your treasury bills payable on demand?
  - A. Oh, yes.
- Q. What outstanding issues are there as of to-day that are payable on demand?
  - A. None.
  - Q. None payable on demand?
- A. No. Great Britain does it to the extent of hundreds of millions of sterling.
  - Q. But you do not?
- A. Of course, we have not the control over the central bank that that authority has.
- Q. The fact remains that you do not believe in borrowing money on treasury bills payable on demand?
  - A. No. We operate in a different way now.
  - Q. I think you are perfectly right.
- A. The way we do now is that we have a Provincial Savings Office, and when they come to me from the Hydro or the Workmen's Compensation Board and say, Will you sell me a treasury bill? I say, No, put it in the Provincial Savings office and we will give you 1½ per cent. That is demand money.
- Q. Well, how much money did the Government take from the Provincial Savings Bank in 1936?
  - A. You mean the amount of deposits?

- Q. No, the amount of money that the Government took from the Provincial Savings Office and used for its own purposes in 1936?
- A. Mr. Ellis, they do not take money from depositors. The depositors walk in and offer to lend it. Page 41 of the Public Accounts, Deposits in the Savings Office by the public at March 31st, 1936, \$32,015,817.76.
  - Q. How much of that money did the Province take in 1936?
- A. They took the difference between what was on hand at the end of the former fiscal period.
  - Q. What was that?
- A. The amount on deposit at 31st of March, 1935, was \$22,326,489.50, approximately a difference of \$10,000,000.
- Q. In other words, the Government took \$10,000,000 out of the Provincial Savings Bank?
- A. I do not think it is correct to say that, Mr. Ellis. The Provincial Savings Offices are sub-branches of the Treasury and they were organized under The Agricultural Development Finance Act for the purpose of borrowing money to loan to farmers and to invest in municipal obligations and so on. The amount of farm loans is approximately, or was at that time, \$48,000,000, represented by farm mortgages.
  - Q. That would come out of the Provincial Savings Offices?
- A. In the first instance, and then the Government had to borrow the difference. I may say that people like to put their money in these Savings Offices, because the number of depositors has increased from about 85,000 to about 107,000.
  - Q. What rate of interest do you pay depositors?
  - A. We now pay from one-half of one per cent to 2 per cent.
- Q. And if you take any moneys from the Provincial Savings Offices for the use of the Government what rate of interest do you pay?
  - A. We pay an increase of one per cent.
  - Q. So the total amount that you pay in interest is what?
- A. I believe that the cost last year as set out in the Budget Address was 2.7 something, but I can give you the rates of interest if you want them.
- Q. As a matter of fact, what was the amount of actual cash in the Provincial Savings Offices as of March 31st, 1936?
  - A. You mean the deposits?

Q. The amount of cash that was in the-

MR. MACAULAY: Till.

MR. ELLIS: Yes, in the till.

WITNESS: These offices do not keep cash except for clearances and to meet cheques that are presented. Each bank keeps a working fund ranging from \$10,000 to \$25,000 or \$30,000.

MR. MACAULAY: Q. But what was the total amount of cash—

Mr. Ellis: —in the Provincial Savings Offices as of March 31st, 1936?

WITNESS: Probably about half a million dollars.

HON. MR. LEDUC: It was more than that.

WITNESS: No.

Hon. Mr. Leduc: According to page 41.

WITNESS: It was \$954,287.77. But we generally run about half a million dollars.

MR. Ellis: Q. Where is the balance of the cash?

A. Of course, we would not keep it there in these branches. It would be idle. The money is here.

Q. What do you mean by "here"?

A. It comes in here, and instead of borrowing from the banks and paying them 3 per cent we borrow from the people and get the money, and we avoid the high cost of bank interest to chartered banks.

Q. Then, in short, practically all the moneys deposited by the depositors in the Provincial Savings Offices with the exception of some \$900,000 is used by the Government for its own purposes?

A. Always has been. That is the purpose.

MR. MACAULAY: Q. How much of that deposit, Mr. Walters, would be from the Workmen's Compensation Board, if any?

A. At the present time?

Q. Well, in the fiscal year 1936?

A. Very little.

Q. Do they do their banking now with the Savings banks?

- A. No.
- Q. You said that instead of issuing treasury bills you asked the Workmen's Compensation Board to deposit the balance with the Provincial Bank?
- A. I didn't put it just that way. I said if they came and said they had some funds to employ.
  - Q. But that was the Hydro?
- A. And the Workmen's Compensation Board. We would not to-day sell them a treasury bill such as has been done in the past. We say, If you have surplus funds there is the Provincial Savings Office, University and Dundas, take the money in there and we will give you the current rate of interest.
  - Q. Do they from time to time have substantial balances in your bank?
  - A. Yes, just whatever surplus funds they have and want to put in there.
- Q. As a rule, whatever surplus funds the Workmen's Compensation Board have they deposit with the Provincial Bank?
- A. On the contrary I do everything possible to discourage it because I do not like large deposits. Most of our deposits, over 90,000 of our deposits, are small sums. They are there, they are constant, and if we lowered the rate one-quarter of one per cent we wouldn't lose a depositor. We didn't lose a depositor when we did lower the rate. That is the kind of deposit both the chartered banks and this Government welcomes.
  - Q. Are there any large deposits, say, over half a million?
  - A. From the Hydro?
  - Q. From anybody?
  - A. Oh, we have deposits, yes, over a million now.
  - Q. What rate of interest would you pay on them?
  - A. One-half of one per cent.
  - Q. Would they remain there for a long period or only a short period?
- A. We require them to leave them there for a long period and to give us definite notice of withdrawal.
  - Q. How long would you say was a long period?
  - A. About a year.
  - Q. So there are people that have deposits in excess of a million dollars

with the Provincial Bank for a year on which they are getting one-half of one per cent interest?

- A. Yes. I would not say exactly in excess, but there are deposits of at least a million dollars where the rate is one-half of one per cent. That is cheaper than Mr. Dunning can borrow money.
  - Q. What would you do if they drew a cheque on you for a million dollars?
- A. They can't do it. There is a contract, there is a deposit receipt stipulating that they have to give so much notice.
  - O. How much notice?
  - A. Thirty days.

Mr. Challies: That is to enable you to get the money.

WITNESS: There is no financial institution in the country that would permit people to lend them money and then say, I may want this at a quarter to eleven. You cannot do that even with the chartered banks. The chartered banks require notice. They can require certain notice.

Mr. Macaulay: Q. Does the Liquor Control Board maintain a large balance there?

A. They do not. As I say, we discourage it.

THE CHAIRMAN: This is interesting, but what resolution does it come under, Mr. Macaulay?

Mr. Macaulay: It is interesting to read about people who have a lot of money in the bank.

WITNESS: The Government carries several million dollars in the bank now, as a matter of policy, because we are in very difficult times.

- Q. You mean you carry a balance?
- A. I mean to say that the Province of Ontario has deposited with the chartered banks of Canada considerable sums, running into millions of dollars.

Mr. Ellis: Q. Mr. Walters, as of March 31st, 1936, there were outstanding loans under the Agricultural Development Finance Act of \$48,500,000?

- A. Yes.
- Q. That is shown at page 31 of the Public Accounts of 1936?
- A. Yes.
- Q. And that was money that came out of the Provincial Savings Offices?

- A. No, it did not all come from Provincial Savings Offices.
- Q. What part of it did come from that source?
- A. It is shown there. The amount of deposits is \$32,000,000, and the difference must have been supplied by the Province.
- Q. But the difference was in loans made under The Agricultural Development Finance Act?
- A. That is what the money was first used for, yes. This Government does not loan.
  - O. And the difference is how much?
  - A. Some \$16,000,000.
- Q. In other words, \$16,000,000 of depositors' money is out in loans made by the Government under The Agricultural Development Finance Act?
- A. In theory but not in fact, because in fact money coming in from the Provincial Savings Offices, which are as I said sub-branches of the Treasury, is merged in with the consolidated revenue which is the cash box of the Treasury and used for various governmental purposes, and always has been.

HON. Mr. LEDUC: Would you allow me to ask one or two questions, Mr. Ellis?

Mr. Ellis: Yes.

HON. MR. LEDUC: Q. The amount due by the Agricultural Development Board is \$48,500,000?

- A. Yes.
- Q. Out of that, \$32,000,000 came from the Savings Bank of Ontario, or a lesser amount?
  - A. Yes.
  - Q. And the balance was advanced by the Government to the Board?
  - A. By the Province, yes.
- Mr. Ellis: Q. But what I want to have made clear is what amount of depositors' money is out on loan made under The Agricultural Development Finance Act.
- A. To do that you would have to go back and trace the whole history of every debenture that they purchased from the Agricultural Board.
  - Q. Have you a rough idea of the amount?

- A. Well, as I say, theoretically the amount that is out on loans less the amount that is on deposit in the banks, must have been obtained from some other source.
- Q. And the amount of the loans made under The Agricultural Development Finance Act is \$48,500,000 as of March 31st, 1936?
  - A. Yes. They are considerably less now.
- Q. Naturally. They should be. And the Provincial Savings Offices as of March 31st, 1936, had cash on hand amounting to some \$900,000?
  - A. Yes.
  - Q. And that is all?
- A. That was the purpose for which the Provincial Savings Offices were started.

MR. Ellis: That is all, Mr. Walters.

THE CHAIRMAN: When do you want to meet again, gentlemen?

MR. MACAULAY: I want to go on with the other resolution that we have made, and I would suggest to-morrow morning.

THE CHAIRMAN: I am sorry, Mr. Macaulay, but I cannot be here. If you want another Chairman, all right, but I cannot be here.

HON. MR. ROEBUCK: We are not going on with another Chairman.

THE CHAIRMAN: On Monday there is the Committee on Legal Bills at ten o'clock, and the House opens at eleven. We will have to get a resolution of the House to sit while the House is in progress.

MR. MACAULAY: Does Monday suit you, Mr. Roebuck?

HON. MR. ROEBUCK: Subject to the House consenting.

THE CHAIRMAN: We will have to get a resolution of the House to enable us to sit while the House is in progress.

MR. MACAULAY: Will you move the resolution, or do you want me to move it?

HON. MR. ROEBUCK: I think it would be right for you to move it. If we agree on it, it does not matter who moves it. You really have the initiative in the matter. You initiated the Public Accounts.

THE CHAIRMAN: You initiated them a month too late.

Mr. Macaulay: Apparently we are a year too early for a lot of the things we want to find out.

HON. MR. ROEBUCK: But something may happen in the year that you may want to investigate.

Mr. Macaulay: Then, Mr. Chairman, you will have here Mr. R. M. Smith, Mr. Campbell and Mr. Francis and others included in the resolution?

HON. MR. ROEBUCK: Have you finished with the financial matters?

Mr. Macaulay: Yes.

HON. MR. ROEBUCK: And you have gone as far as you are going into Hydro?

MR. MACAULAY: Yes.

HON. MR. ROEBUCK: And now you want to go on with the road work?

MR. MACAULAY: Yes.

THE SECRETARY: What will happen to the inquiry regarding the hospitals?

MR. Ellis: That will come afterwards. I am giving Mr. Macaulay the right of way.

THE CHAIRMAN: I suggest the only thing to do is to adjourn sine die and move a resolution in the House.

MR. ELLIS: Can we not settle it now?

HON. MR. ROEBUCK: We can settle it that we meet on Monday.

Mr. Macaulay: I will make a motion that this Committee meet at eleven o'clock Monday morning. I think we ought to adjourn now to a definite time. All the House does is to give us permission to meet while it is in session, so I would like a motion to adjourn to a definite time.

HON. MR. ROEBUCK: Mr. Macaulay moves that we meet at eleven o'clock on Monday morning, subject to the permission of the House. (Carried.)

Whereupon the Committee adjourned at 1 p.m. until 11 a.m., Monday, March 22nd, 1937.

## SIXTH SITTING

Parliament Buildings, Toronto, March 22nd, 1937, at 11.00 a.m.

THE CHAIRMAN: If you will come to order, gentlemen, the Secretary will call the Roll.

The Secretary called the Roll of Members.

THE CHAIRMAN: Mr. Macaulay, you are dealing with the resolution moved by the Honourable Mr. Henry and seconded by Mr. Murphy:

That Mr. R. M. Smith, Deputy Minister of Northern Development, R. A. Campbell, former Deputy Minister of Northern Development, Mr. H. K. Morrison, Division Engineer, T. F. Francis, Construction Engineer, Department of Northern Development, and John M. Mill, Civil Engineer of the City of Toronto, be summoned to appear before the Public Accounts Committee at the next session thereof, to give evidence as to certain items at page N-39 of the Public Accounts for the year ending March 31st, 1936, and more particularly the item, page N-39, "Hewitson Construction Company," clearing and grading between Schreiber and White River, miles 85-108.25, \$592,117.28; cutting, burning, stumping, grubbing and grading from a point 34 miles west to 48.2 miles west of Schreiber, \$281,666.59, and to produce before the Committee all correspondence, offers, tenders, papers, documents, specifications, agreements, surveys, plans, profiles, progress and final certificates, inspectors' daily reports, engineers' monthly estimates and telegrams related to the said items.

MR. MACAULAY: I will call Mr. Smith.

HON. MR. ROEBUCK: Now, you are going into some matters which you will lay before the Committee. Why don't you call the officers—

MR. MACAULAY: I will start with the superior officer first.

HON. MR. ROEBUCK: If you are going to proceed that way you will have to do it strictly.

MR. MACAULAY: I will.

HON. MR. ROEBUCK: Well, I have no doubt that you have some reason for calling the Committee together of this particular item in the accounts. Now then, if you want to examine all the officers of the Department generally, without any specific names you will have to do it strictly.

MR. MACAULAY: You can object when the time comes if I ask anything you do not like.

ROBERT MELVILLE SMITH, sworn. Examined by Mr. MACAULAY:

- Q. Mr. Smith, on page N-39 of the Public Accounts, 1936, is an item: "Hewitson Construction Company, clearing, and grading between Schreiber and White River, miles 85 to 108.25, and the amount spent is \$592,117.28." Will you let me see the contract under which that payment was made?
- A. It should be on this file, Mr. Macaulay; it is not here so I will have to get it.
  - Q. You are sure it is not there; are you?

- A. Yes.
- Q. You have sent for it?
- A. Yes.
- Q. Well, while they are looking for the original contract, what work does that contract cover?
- A. Covers the clearing, grubbing, grading—both earth and rock—and certain small structures.
- Q. On that portion of the Trans-Canada Highway from Schreiber to White River?

A. Yes.

HON. MR. ROEBUCK: May I ask, Mr. Chairman—I cannot understand the situation. There are two sections here and with two amounts in the accounts. Are they for the same road?

WITNESS: The same road.

HON. MR. ROEBUCK: Because they are not the same length. One is from 85 miles to 108.25 miles and another is from a point 34 miles west to 48.2 miles. The lengths do not gibe.

MR. MACAULAY: They are different stretches of road.

HON. Mr. ROEBUCK: It is the same general road but not the same stretch of that road.

MR. MACAULAY: Yes, that is right.

HON. MR. ROEBUCK: There are two distinct stretches of road.

MR. MACAULAY: Yes.

THE CHAIRMAN: Q. Mr. Smith could you get a map for us so that it will help us to understand better? (Witness produces map.)

Mr. Macaulay (indicating): This is the section we are dealing with now.

THE CHAIRMAN: Will you just wait a minute, Mr. Macaulay?

HON. MR. ROEBUCK: So that we can get the picture in our mind as to what we are to work on.

THE WITNESS: This is the map.

HON. MR. ROEBUCK: It says in this portion "speckled trout" and perhaps that is why Mr. Macaulay is fishing around.

- MR. MACAULAY: Q. What is the distance between White River and Schreiber?
  - A. About 108 miles.
  - Q. That is on the approved road of the Trans-Canada Highway, is it?
  - A. Yes.

HON. MR. ROEBUCK: Q. So that one of the sections that we are examining is over here (indicating) and which is 85 to 102 something?

- A. I do not know where that mileage was taken from.
- Q. You see one is from 34 miles to 48.2 miles. I presume that would be in this district.

THE CHAIRMAN: It is marked "Rainbow Trout."

WITNESS: I cannot tell you just exactly where these mileages commence. The work was directly east of Schreiber.

HON. MR. ROEBUCK: Q. Starting 34 miles east of Schreiber?

A. Yes; I don't know where that mileage counts; it is along this section (indicating).

MR. MACAULAY: Q. The contract which I want to deal with this morning is this one—you have described in the Public Accounts from miles 85 to 108.25; do you know where that is measured from?

- A. No; I don't.
- Q. Well now, can you give us the date of that contract, in the absence of the original document?
- A. No; I cannot, not exactly; it is September something 1935. We will get that.
  - Q. Have you got a file of progress certificates?
  - A. It is marked on the contract, and the contract is not here.
- Q. Have you got the progress certificates here; we may as well put them in while we are at it? (Witness produces progress certificates.)
- Q. We do not know the date the contract was let; can you refer to any document there which would tell?
- A. I was not in the Department at that time. The first progress estimate is dated August 31st, 1935.

- Q At what date did the Highways Department take over the Northern Development?
  - A. May 7th, 1936.
  - Q. How far had that contract gone when you took it over?
- A. Well, I am only guessing at that, because I was never on the job. I would say about 60 per cent.
- Q. You would say about 60 per cent. What steps did you take with respect to this contract, if any, when you took over as Deputy Minister of Highways and became responsible for this Trans-Canada Highway? Did you stop the job?
- A. Ves. we stopped the work. We notified the contractors that the work must cease by June 13th.
  - Q. What date was it that you took over the jurisdiction?
  - A. The 7th of May.
  - Q. You gave them a month's notice, did you?
  - A. Yes.
- Q. And closed down the job. How much had been spent on this contract at that time?
  - A. At the time we took it over?
  - Q. Yes.
- A. Well. I would not be able to tell you except by the progress estimates as of that date.
  - Q. Then, there has been no work done on this job since June of 1936?
  - A. No.
- Q. Of course, these accounts only run to March 1936; this is the total amount here—\$592,000.
- A. The amounts covered in the resolution would be paid before the end of the year.
  - Q. Before you took it over?
  - A. Yes.

HON. MR. ROEBUCK: Q. Mr. Smith, you can state the total amount of the work as of the 31st of March 1936?

A. The progress estimate as at March 1936 was \$592,117.28; that was our estimate.

MR. MACAULAY: Q. Since that time the job was carried on to June 1936, when you closed it down; is that right?

A. That is correct.

Q. Have you the contract there now; we can put it in. Let me see that, if you can take it off that file. This is the contract.

THE CHAIRMAN: That will be Exhibit 1 in this Committee.

EXHIBIT No. 1:

Contract for the clearing and grading of a section of the Trans-Canada Highway between Schreiber and White River, from mileage 85 to mileage 108.25.

Mr. Macaulay: Q. I see that the contract is dated the 12th of September, 1935; is that right?

A. Yes.

- Q. Now, the prices in this contract contain the item "Solid rock excavation (machine drilling) at \$1.80 a cubic yard." Is there a price here for hand drilling, as well?
  - A. Yes; there is.
  - Q. What is it?
  - A. \$2.30.
  - Q. How much is the overhaul? It is on the front page.
  - A. Three cents.
- Q. In the specifications you are getting out now for the work you are now letting for the Northern Development do you allow any overhaul?
  - A. No.
  - Q. Why?
- A. We are more familiar with the practice of straight excavation without overhaul.
- Q. Have you ever had an item for overhaul in the Highways Department for many years in your specifications?
  - A. Not in recent years.

- Q. You do not believe it is good practice to have that item?
- A. Well, I am only giving the opinion of one engineer. I like the straight price rather than overhaul.
  - Q. How much has been paid on this contract for overhaul?
  - A. To the end of the year?
  - Q. To the end of the last estimate—June, or whatever it is.
- A. The estimates which I have are to the end of March and amount to \$48,050.70.
  - Q. For overhaul?
  - A. Yes.
  - Q. What is it in the final estimate?
- A. I haven't the final estimate here. The estimates which I have here are up to the end of March. We can get that.
- Q. In June; when you closed the job down? We will need that one to check these estimates with what you did when you closed the job down. Have you any estimates past March.
  - A. Not here. We can get them in a few minutes.

HON. MR. ROEBUCK: We are only concerned up to March 1936.

Mr. Macaulay: I want to see this estimate. I am dealing with a mass of material which I have not seen.

HON. MR. ROEBUCK: So am I. That is why I suggest that you tell us what you are seeking for, and we will facilitate you in any way, but you will not do that; you want to start in to connect a lot of material which may or may not have—

MR. MACAULAY: You are not making a speech here. Let me go on.

HON. MR. ROEBUCK: There is no speech here.

THE CHAIRMAN: Mr. Macaulay, I understand that you want to go on past the end of the fiscal year.

Mr. Macaulay: I want to get these progress certificates down to the end of the job—when it closed down.

HON. MR. ROEBUCK: I object.

THE CHAIRMAN: I do not see how we can,

HON. MR. ROEBUCK: We do not know what you are going to do. Go ahead.

MR. MACAULAY: I am asking for a ruling by the Chairman.

HON. MR. ROEBUCK: I will be glad to get you anything you really want, but in this way nobody knows where we are going.

MR. MACAULAY: You know where you are going? You have all the Departmental records there or the officials have.

HON. Mr. ROEBUCK: You are entitled to them up to the 31st of March.

Mr. Macaulay: I want to see the progress certificates because they have a bearing on this matter.

THE CHAIRMAN: I do not see that this Committee has any authority to go beyond the Public Accounts for the last year. I realize that there has been a difficulty that might have been ironed out on account of the change in the ending of the fiscal year. I imagine that is a matter for the House, and not for this Committee.

Mr. Macaulay: Well, we have not many Members here, most of them are in the House, but I have a seconder here and I must certainly appeal from that ruling of the Chair. Now, my honourable friend says that he will not consider it, so we will have to consider my motion is refused.

THE CHAIRMAN: You understand my position, as Chairman I feel I am bound to hold to the Public Accounts as of the year ending March 1936.

Mr. Macaulay: This is not bringing up new matter, it is simply continuing down. What harm can there be in producing these documents for another three months; what earthly objection can there be to producing those documents relating to the same contract?

HON. MR. ROEBUCK: I thought that there was a pretty valid objection.

Mr. Macaulay: You refuse to produce them?

Hon. Mr. Roebuck: I do; yes.

Mr. Macaulay: Q. Mr. Smith, on the day in June that this job was closed down, did you treat this contract any differently to the adjoining contracts of the Trans-Canada Highway; were they all closed down?

- A. All closed down.
- Q. Or all but one.
- A. All closed down at that time.
- Q. Has this job ever gone ahead again?

- A. No.
- Q. When that time elapsed you simply allowed the job to stay as it was at that time?
  - A. Exactly.
  - Q. Is any of this road fit to travel on or is it all in a new state?
  - A. On certain sections it is possible to get over.
  - Q. What percentage of completion would you say there was?
  - A. I couldn't mention that; I have never been on the road.
  - Q. You guessed about 60 per cent; is that fair?
  - Q. Yes; I would say that is fair.
  - Q. Did you base your information from your engineer?
  - A. Approximately.
  - Q. You sent somebody up to look it over?
  - A. Yes.
  - O. Who?
  - A. Mr. Nelson.
  - Q. What is his position?
  - A. Assistant Chief Engineer.
  - Q. What was Mr. Nelson to do?
  - A. He was to check with the engineers the classifications.
  - Q. As against the final estimate or the last progress estimate you received?
  - A. Yes; with a view to preparing the final estimates.
  - Q. Has he prepared the final progress estimate of this job?
  - A. No; not himself.
  - Q. Has one been prepared?
  - A. Yes; one has been prepared.
  - O. What date would it bear?

A. Some time in the fall; I don't know the date exactly.

HON. Mr. ROEBUCK: Q. Some time in the fall of 1936?

A. Yes, sir.

MR. MACAULAY: Q. Did you disregard the final certificate that was on the records of the Department at that time—in June?

- A. There was no final in June; it was only progress in June.
- Q. Was not that a satisfactory basis on which to make payment?
- A. We did make payments on the June progress estimate.
- Q. Yes.
- A. Then we had a final which came in the fall.
- Q. How much was the final estimate?
- A. I couldn't tell you; I haven't the information here.
- Q. This payment you made on this interim progress certificate might or might not be close to the amount you paid on the final estimate?
- A. It might not. It would be considerably less than that paid on the final estimate.
- Q. Although no work was done between that progress certificate and the final estimate.
- A. The general estimate, of course, was never intended to be a final estimate, which was a progress estimate.
  - Q. Have you Mr. Nelson's estimate and report here?
- A. No; Mr. Nelson himself didn't make an estimate, other than working with the engineers.
  - Q. Who made the final estimate?
- A. The final estimate was made by Mr. Bishop and the engineer supporting him.
  - Q. Have you got that estimate here?
  - A. No, I haven't; that would be the final payment of this job.

Mr. Macaulay: I cannot proceed with any intelligent examination of the case. This job was closed down and an engineer put in by the name of Nelson to figure out what was properly owing on the job. We are held up in the middle

of this job, with no final payment. Unless we bring it down for another three months we cannot get anywhere.

HON. MR. ROEBUCK: There is no Public Accounts after the final payment to enquire into.

MR. MACAULAY: There are plenty of records in the Department.

HON. MR. ROEBUCK: You are not examining on the basis of the records in the Department; you are examining on the basis of the Public Accounts.

MR. MACAULAY: I would like to bring it to date.

HON. MR. ROEBUCK: I know. And to next year or to 1940.

Mr. Macaulay: Not yet.

HON. MR. ROEBUCK: You want to examine payments that might not be made or things that are in progress.

Mr. Macaulay: They are not in progress; it is closed out, and I want to see the documents under which it was closed out.

HON. Mr. ROEBUCK: It is unfortunate that you cannot go ahead.

THE CHAIRMAN: I quite see your difficulty, Mr. Macaulay; until the fiscal year was changed you had the Public Accounts up to the end of the 31st of October, and the House sat in January or February, and you had the accounts for the last year.

MR. MACAULAY: I am not objecting to the change in the fiscal date. I am examining a contract where there is no final disposition made, and I ought to be entitled to examine the Department records for the closing out of that contract.

HON. MR. ROEBUCK: You can get it in the next year's Public Accounts.

MR. MACAULAY: I am going to appeal from the ruling of the Chair.

THE CHAIRMAN: Seeing that it is objected to, in view of my understanding—

Mr. Macaulay: The job has been completed for months.

THE CHAIRMAN: I realize your difficulty, but in view of my idea of the powers of this Committee I do not see how we can delve into it.

MR. MURPHY: You did it the other day.

HON. MR. ROEBUCK: By consent.

Mr. Macaulay: Surely my honourable friend will consent to this. I must appeal from the ruling of the Chair. It simply means that it is a breakdown of parliamentary procedure, and with a small opposition how are you going to

get our case adequately presented. We have only two members here but I am going to call for a Roll call.

THE CHAIRMAN: That is quite all right. I think it is only fair I should state that it would have been better for the opposition to have called a meeting of the Public Accounts at the beginning of the Session, and we could have had it all cleared up.

Mr. Colter: It would not have made any difference if all the Members had been here.

THE CHAIRMAN: All in favour of the ruling of the Chair will raise their hands.

Mr. Murphy: We want a recorded vote.

Mr. Macaulay: I think we should have a recorded vote.

THE CHAIRMAN: Very well, record your votes.

Whereupon the Roll was called.

THE SECRETARY: Your ruling is upheld, Mr. Chairman; the Yeas are 11 and the Nays 2.

MR. MACAULAY: Q. Mr. Smith, why did you close the job down and not complete it?

- A. In last year's estimates there were only \$3,000,000 provided, and we were going to be short if we allowed them to go ahead.
- Q. Would you want it completed under these plans and specifications and unit prices?

A. I am not familiar enough with that, Mr. Macaulay. There are certain prices in there which possibly might seem high.

MR. MURPHY: Q. Has all the money spent on this road been wasted or are you going to continue?

- A. The road will have to be finished.
- Q. Why not finish it under the old contract?
- A. We were short of money.
- Q. Short of money?
- A. Yes.

Mr. Macaulay: Q. You said you closed down all these Trans-Canada jobs; did you start any of them up?

- A. One.
- O. Which one?
- A. On the Trans-Canada between Fort William and Kenora.
- Q. Who had that contract?
- A. The Dufferin Construction Company.
- Q. Why did you favour them?

HON. Mr. ROEBUCK: No, no, no. Why are you beating your wife, Mr. Smith?

WITNESS: In that case they had turned up a lot of road that was under traffic so that we could not leave the road in the condition it was and granted the Dufferin Company to complete the work.

HON. MR. ROEBUCK: Q. Were you favouring the Dufferin Construction Company or building the road?

- A. The road was under contract from Fort William to Kenora.
- O. It was because of the traffic that you instructed them-
- A. To complete the work.
- Q. It was not a case of favouring the Dufferin Construction Company?
- A. It would not have mattered who it was, it would have to be finished.

MR. MACAULAY: Q. Is not that a good reason for finishing some of this stretch of 108 miles?

- A. There was not the same urgency so far as that is concerned.
- Q. Why not?
- A. Well, there is no through traffic.
- Q. That is what it is—a through highway.
- A. Yes; but there is considerable to be done before it is a through highway.
- Q. It will be the Trans-Canada Highway?
- A. It will be; but there is a lot of work yet to be done on it.
- Q. How much money is there to be spent on the Trans-Canada Highway before it is completed, in Ontario?

- A. I would not like to give you an estimate; I haven't the slightest idea.
- Q. You have no idea what it would cost to complete?
- A. No; I haven't.
- Q. How many miles are there uncompleted?
- A. This section of 108 miles is just about 60 per cent complete, roughly 140 miles between White River and Jackfish to do.

HON. MR. ROEBUCK: Q. What about the bridges on this road—

MR. MACAULAY: Hold on a minute.

- Q. Are these the only two stretches uncompleted?
- A. In that section?
- Q. Anywhere in Ontario; I am speaking of the Trans-Canada Highway.
- A. These are the only two sections.
- Q. These are the only two sections. Have you any idea what it would cost to complete these two sections?
  - A. I have not.

THE CHAIRMAN: How is it relevant?

Mr. Macaulay: I want to know why they closed this road down after spending \$1,000,000 on it. If you will let me look on the final certificates I can get on with some exact figures of this job, but I cannot. Next year Mr. Roebuck, if he is in, will tell us we cannot act in the beginning of the contracts.

HON. MR. ROEBUCK: If you are not here you will not want to.

Mr. Macaulay: How can anybody else here do it? This work was closed in the three months of the current year, and next year we will find it was started—

THE CHAIRMAN: I understand your difficulty. I see quite clearly that there has to be some change made.

MR. MACAULAY: I would think so.

THE CHAIRMAN: That is pretty much theoretical. If you ask the witness if he agrees with the necessity of a 30-foot roadway, which was necessary under the arrangement with the Federal Government, I know he will say it is against the opinion of most of the people up there. It is absolutely a waste of money.

MR. MACAULAY: Q. How wide is this highway under the contract?

A. I am not certain, but I think it is 26 feet wide. Mr. Francis says it is 30 feet.

THE CHAIRMAN: The Federal Government insisted on that before they would contribute anything.

WITNESS: It is a 30-foot grade.

THE CHAIRMAN: Which is absolutely ridiculous for up north.

MR. MURPHY: Mr. Henry said that before; he said the old road was sufficiently wide for the traffic in that part of the country.

The Chairman: The Federal Government insisted, before they contributed anything, that this Trans-Canada Highway had to be 30 feet wide. It would take five years longer to pack the road down to a solid foundation.

MR. MURPHY: If the Federal Government did not want to contribute anything we would have saved a lot of money because the old road was sufficient for years to come.

THE CHAIRMAN: That was to build the whole thing in those areas where there were no roads at all.

MR. MURPHY: There were roads in places.

WITNESS: It is apparently 30 feet wide.

MR. MACAULAY: Q. There is nothing there to show you how wide it is—

HON. Mr. ROEBUCK: Tell me, Mr. Smith, were there bridges to be built in connection with this?

- A. A number of bridges.
- Q. And they were costly?
- A. Yes; costly.

MR. MACAULAY: Q. Now, Mr. Smith, in view of the fact that the Attorney-General presses the Chairman that we cannot get down to these documents and the report of Mr. Nelson, I don't see how I can proceed further without the authority from the House, because I want to proceed to the time you paid off this contract. Are there any claims that are not disposed of now?

- A. There are claims being made by the contractors because of the fact the work was stopped, but claims are not presented yet.
- Q. It is nearly a year since you stopped the job; is it not time they were all in?

A. Unfortunately, in nearly every instance there has been sickness or something or the contractor has been away.

Q. In view of the refusal of the Attorney-General, who has unfairly hampered this enquiry, I will have to let it stand until we get further authority from the House.

HON. MR. ROEBUCK: I don't think it is unfairly; I think it is perfectly obvious, perfectly right and perfectly in accordance with the rules, and just what you would do if you were in my place.

Mr. Murphy: It is not like a contract that has been carried out. When Mr. Smith came into office in June or May the contract was only allowed to operate for a month, and since then nothing has been done on it. Surely, in order to get this thing finished, we should be allowed to look at the papers.

THE CHAIRMAN: The whole difficulty has arisen through the change in the ending of the fiscal year, as I see it.

MR. MURPHY: Next year you won't allow us to go back into this one.

THE CHAIRMAN: You can cover anything.

MR. MACAULAY: You cannot cover anything that is not related.

MR. MURPHY: Was this one of the reasons that the fiscal year was changed—so that you couldn't get a complete contract?

THE CHAIRMAN: The Premier explained that the other day at the request of the Dominion Government and the other provinces.

Mr. Colter: Everybody knows why the end of the fiscal year was changed.

MR. MURPHY: This was probably one of the reasons.

Mr. Colter: You know it was not; this was never thought of at that time.

HON. MR. ROEBUCK: Did the Dominion Government change their fiscal year so that you could not make this examination; they also have it at the 31st of March.

Mr. Macaulay: I propose to let the matter stand until we get authority from the House. From the attitude of the Attorney-General it looks as if we will not get the authority from the House either.

Mr. Murphy: There must have been some good reason for shutting down the contract.

Q. Did the Dominion Government pay all the money here for the contract; did they pay their share and did they object to the high prices of some of the units?

- A. I don't recall that they did.
- Q. One of the reasons why you shut down the contract was because the prices were too high?
- A. No; at the time we shut the work down I had no knowledge of the contract.
  - Q. You admit now they are high.
- A. I have made no thorough study of this contract at all. This contract was closed down practically after I went in. I had no opportunity of studying the prices afterwards.
- Q. You would pretty near know the prices when you are making up the final estimates; you would likely go into that very carefully. Did you send Mr. Nelson up there?
- A. We sent Mr. Nelson on all our grading work; he is, I think, the most capable engineer we have. We send him on all our contracts, and he checks up with the engineer in Toronto the various classifications.
  - Q. Also the rock cuts, were they machine or hand drilled?
  - A. I know as much as the general specification.
  - O. I think probably if we had Mr. Nelson's report that would be helpful.
  - MR. MACAULAY: That report is dated June; that is the trouble.

HON. MR. ROEBUCK: Q. Mr. Smith, when this contract was let payments were to be made partly by the Dominion and partly by the Province; is not that right?

- A. Yes.
- Q. Was the contract passed by the Dominion Government as well as by the Province?
  - A. Yes.
  - Q. It was accepted jointly by the two administrations?
  - A. Yes.
  - Q. This administration and the Bennett administration?
  - A. Yes.
- Q. Now then, did they have their engineers checking up these various items of expenditures as well as we had our engineers?

- A. I was not in the Department at that time. I understand from the engineers that they did.
  - Q. That was the work on all these contracts?
  - A. Yes.
- Q. There were to be no payments made by us that were not made similarly by them?
- A. The procedure is this: We pay the progress estimate and then submit that payment to the Dominion, and the Dominion in turn pays us 50 per cent of the cost.
  - Q. Have they paid that 50 per cent?
  - A. I cannot say to tally or not, but it is in process of being paid.
- MR. Murphy: Q. Does not the Dominion Government accept your estimates all the time?
  - A. Oh, yes.
- Q. They don't send a man out to check you; you forward your estimates to the Dominion and they send you a cheque when they deem it wise?
  - A. They send an auditor to the Department.
- Q. They don't have a man on the job like you have, going over the various units; they accept your estimates?
- A. Not in detail. They have an auditor here who works with us in the final analysis.
- HON. MR. ROEBUCK: Q. If they suspect any of these items are they permitted, according to the set-up between you, to send an engineer to check up?
  - A. Yes.
  - Q. And they can reclassify if they care to do so?
  - A. Yes.
  - Q. Have they done that in this instance?
  - A. No.
- MR. MACAULAY: Q. Did Mr. Nelson accept the same classifications as you have?
  - A. Yes.

- Q. Did he change any classification?
- A. I think they varied on some occasions.

HON. MR ROEBUCK: I suppose that is not unusual in the check up?

A. No; that is the idea.

HON. Mr. ROEBUCK: I suppose that is not unusual in the check-up?

- A. Oh, no.
- Q. That is what the check-up is for?
- A. That is the idea. No two engineers agree.

THE CHAIRMAN: Do you mean that engineers are like lawyers?

MR. MACAULAY: Have you Nelson's estimate there?

- A. No, I have not Nelson's. As a matter of fact, as I have explained, Nelson did not prepare an estimate himself. He, in conjunction with the engineers who were in charge, prepared the final estimate.
  - Q. Who signed it?
  - A. The engineer in charge on the job.
  - O. Who was that?
  - A. Mr. Bishop, Mr. Morrison and Mr. Nelson.
  - Q. Nelson was his superior officer?
  - A. Yes, he was.
- Q. And he was the one who had the final say as to the amounts which went in?
  - A. Yes.
  - Q. But Bishop signed it as the district engineer?
  - A. Yes.
  - Q. I want to see that report signed by Bishop.
  - A. That would be the final estimate.
  - Q. I want to see that.
  - A. Nelson did not prepare a report, though.

MR. MURPHY: I would like to see Nelson's report on the job.

A. Nelson did not prepare a report.

MR. MACAULAY: Q. But he went up on the job, and did he not make a report, compared with what the other engineer had put in,—any changes?

A. No.

Q. Didn't he note in his report that he had made changes in the various estimates?

HON. MR. ROEBUCK: I think, Mr. Macaulay, that you have a right to Bishop's report in respect to the items which are under examination.

MR. MACAULAY: That is what I am asking for.

HON. MR. ROEBUCK: I think you have a right to that report, but I do not think you have a right to the report on the final estimate. In that case I would like to see that report and see what I can do for you.

MR. MACAULAY: Why should you see it any more than I?

HON. MR. ROEBUCK: If you object to my seeing it, I will not.

Mr. Macaulay: There is no use asking him to report on a certificate in March.

HON. MR. ROEBUCK: You can call Mr. Bishop,—'I think he is here,—and you can ask him in regard to the items, and whether it is in the report or otherwise it is the facts you are after and not the report. That gets you as far as the report or further.

MR. MACAULAY: Will you stand aside, and I will call Mr. Bishop, and we will see how far we can get with him.

Mr. Smith stood aside.

MR. MACAULAY: There is no use examining Mr. Bishop unless he brings the papers of June.

HON. MR. ROEBUCK: You can ask him as to his knowledge in respect to all these items, and that is what you are entitled to, and I have pointed that out to you. I am satisfied that you shall exhaust the limits on these particular items, but you are not going, if I can help it, into things which did not take place in the year.

MR. MACAULAY: There is no use Bishop coming unless he brings more papers than are here. I tell you that now,

HON. MR. ROEBUCK: Then let us adjourn now.

THE CHAIRMAN: I understand, Mr. Macaulay, that you do not want to limit him to the estimates up to—

MR. MACAULAY: No, the important thing is the thing which he signed in June.

MR. MURPHY: For all the job.

THE CHAIRMAN: We have had a vote on that.

Mr. Murphy: We have one extra now.

Mr. Macaulay: A 50 per cent increase in our vote has come in now!

THE CHAIRMAN: 33½ per cent!

W. J. BISHOP, sworn.

By Mr. Macaulay: Q. Mr. Bishop, what is your position with the Department of Highways now?

- A. I am looking after the settling up of the Trans-Canada work.
- Q. Everybody has got a title over there, have they not?
- A. I am Principal Assistant Engineer on the Trans-Canada Highway,—that is my official title.
- Q. What were you at the time this Hewitson contract was going on from White River to Schreiber?
- A. I had an office in White River, and had charge of the whole job from White River to Schreiber.
  - Q. I see you signed these as Principal Assistant Engineer?
  - A. Yes.
  - Q. Where was your office?
  - A. White River.
  - Q. Who was the engineer in charge of this job?
  - A. Mr. Morrison was Division Engineer.
  - Q. Where was his office?

A. Jackfish.

Q. These are down to the end of March, these progress certificates. I would like to put them in.

EXHIBIT No. 2:

Bundle of progress certificates.

Q. Will you examine them and tell me if they are the originals, signed by the engineer, or just copies?

Mr. Smith: Those are the originals, and these are copies here. These are certified copies. They are all the same.

Mr. Macaulay: We are entitled to see the original progress certificates.

Mr. Smith: These are the certified copies.

Mr. Macaulay: Where are the originals?

Mr. Smith: They would be in the accountant's office.

THE CHAIRMAN: You are entitled to have the originals, Mr. Macaulay, and to check them.

Mr. MACAULAY: Will you see that that is done, Mr. Smith?

Mr. Smith: Yes.

Hon. Mr. Roebuck: You have copies there?

Mr. Smith: Yes.

Mr. Macaulay: Q. The last one, Mr. Bishop, is dated March 31st, 1936. Have you signed any certificates for this contract since March 31st, 1936?

A. Yes, sir.

Q. How many?

HON. MR. ROEBUCK: That is as far as he can go. I object. Do not answer it.

THE CHAIRMAN: I think the Attorney-General's objection is sound.

Mr. Macaulay: I am asking this witness to produce the certificates which he has signed since March 31st, 1936. On the advice of the Attorney-General, you are asked to refuse to produce them.

THE CHAIRMAN: Mr. Macaulay, I do not see why the ruling interferes with your examining this witness on these estimates. You could examine him, and then next year you could examine on any estimates in the present fiscal year.

This witness is open for examination on any of these accounts which have been paid, and progress certificates, and so on.

MR. MACAULAY: Of course the job was stopped and practically reclassified after this last date.

The Chairman: Yes, but if there was anything wrong in the moneys which have been paid up to the 31st March, you are entitled to go into that.

MR. MACAULAY: But they were not paid on this, because they were afterwards readjusted.

- Q. The quantities that are in this March 31st, 1936, estimate, and that of the final estimate in June, 1936, would not naturally coincide in any entry in any classification?
- A. There might have been a reclassification or a readjustment of the classification.
- Q. Was there any adjustment or readjustment of the classification on this job?
  - A. Up to what date?
  - Q. Up to June?
  - A. I could not say that, about June.
  - Q. Why couldn't you say that about June?
  - A. I would be only speaking from memory, if I did.

HON. Mr. ROEBUCK: The ruling, Mr. Bishop, is that we are not examining the progress estimates past the 31st March, 1936. Forget that there were such things.

MR. MACAULAY: Let us see the original contract, Mr. Bishop. Where are the estimated quantities? Are they in the contract anywhere?

- A. I could not say where they are.
- Q. I want you to find out where they are.

HON. Mr. ROEBUCK: I understand that they were on the tender form.

MR. MACAULAY: Turn up the tender form, and I can read them off, if you pass them over here.

- A. Yes, here it is. (Indicating.)
- Q. I see up to March,—of course we cannot tell how much more work was done, and I am trying to compare the estimated quantities with the certified

account, and the certificate is not a final one, and they may have adjusted the estimates in the meantime. How am I to find out how much work was done?

THE CHAIRMAN: You can find out next year.

Mr. Macaulay: There will have to be a change in the way it is done. The next year, we will have to be able to go back to the inception of the contract.

Q. I see you have estimates for the bid, estimates for the rock, clearing, grubbing, muskeg, overhaul and other material, and so on, but you have no estimate for clay surface?

HON. MR. ROEBUCK: The document speaks for itself.

MR. MACAULAY: Is there any estimate there for clay surface at \$1.85 per cubic yard, or gravel surface for \$1.75 per cubic yard?

A. That is usually standard per mile, anyway. There is a standard quantity per mile, I think.

HON. MR. ROEBUCK: Q. Did you have anything to do with the preparing of the tender forms?

A. No.

MR. MACAULAY: Q. What is the standard quantity of clay surface per mile?

A. I cannot say, sir.

- Q. How do you know that there is any? You were up there administering a couple of hundred miles of road, and you know: what is the usual quantity of clay surface per mile on those roads?
- A. It would depend upon the character of the road bed, the character of your grade, to begin with.
  - Q. Tell us, according to the different grades.
  - A. If you have an open rock fill, it takes more clay to fill it.
  - Q. How much a mile?
- A. I could not tell you. My opinion would be governed by the condition of the surface that you are going to put the clay on. In some places, it might disappear in the rock.
- Q. In other words, there has been nothing paid on this contract for clay surface, has there?
  - A. There is no clay surfacing done there, sir.

Q. Although the price was \$1.85 per cubic yard. And is there anything in this March estimate for gravel?

A. No.

Q. Although the contract price there was \$2.75 per cubic yard. I have another man's contract,—this is Hewitson's contract, and it is \$1.85—

MR. Murphy: And this one has clay surface, \$1.05, and that is the contract that they signed, and \$2.40 for gravel. Those prices are different.

MR. MACAULAY: How are you going to identify them—you have given me the wrong contract. Do you know, Mr. Bishop, why there was any change there?

A. No, I had nothing to do with that.

HON. Mr. ROEBUCK: Did you have anything to do with the letting of the contract?

A. No.

Mr. Macaulay: Q. Who signed the contract? Were you with the Department at that time?

A. I was. I was up at that end at the time.

HON. MR. ROEBUCK: He was the field man.

Mr. Murphy: The contract was signed by Mr. Heenan.

Mr. Macaulay: I would like to go through these documents, if the contract is different from the bid. I would like to have some time to go through the documents.

HON. MR. ROEBUCK: You are entitled to that.

Mr. Macaulay: Is there anybody here who knows,—does Mr. Campbell know what the changes were?

HON. MR. ROEBUCK: Mr. Campbell can tell you what changes there are. I might point out to you that there was no work done and no payments were made, and it is purely theory.

MR. MACAULAY: Will you stand aside, Mr. Bishop.

Mr. Bishop stood aside.

ROBERT A. CAMPBELL, sworn.

By Mr. Macaulay: Q. Mr. Campbell, you were Deputy Minister of Northern Development when this Hewitson contract was let, were you?

- A. Yes, I was.
- Q. And you have knowledge of the letting of the contract, have you?
- A. I have knowledge of the letting of the contract.
- Q. You received the bids, did you?
- A. Yes, the bids would come into the Department.
- Q. To you?
- A. To the Minister.
- Q. What differences are there between the contract, Exhibit 1, and this bid of Hewitson's?
  - A. I will have to examine this, first.
  - Q. Will that take some time?
  - A. Yes, it will take some minutes.
- Q. In the meantime, I draw your attention to the fact that the clay surface is \$1.05 here, and in the bid it was \$1.85. How was that reduced arbitrarily like that?
- A. That was not reduced arbitrarily. The Dominion Government representative and myself examined the bids and agreed that the price should be scaled down, with the contractor's O.K. on it, and this was the price that was set.
- Q. Then did you use that price for estimating the bids of all the contractors on this job, because otherwise how could you tell who was the lowest tenderer?

HON. MR. ROEBUCK: This fellow was the lowest tenderer. Reducing his price would not make it any higher.

MR. MACAULAY: They did not have any estimated quantities.

WITNESS: It would not affect the amount of the tender, and at that time it was only intended to go through for subgrade.

- Q. Why did you have a contract like that, where there was no estimated quantity?
  - A. It had been the usual practice of the Department prior to that to have

a number of estimates mentioned in the tender form and price submitted, so that at any time, if additional work was required, to have the prices submitted.

- Q. Was that a good practice?
- A. For some contracts it is the only practicable practice you can enforce.
- Q. What would be the reasonable amount of clay surface to apply on a road thirty miles long,—how many cubic yards per mile?
- A. That would all depend upon the subgrade condition when the time arrived to apply the clay surface.
- Q. From your experience as Deputy Minister of the Department, what did you find was the proper thing to apply, in the condition of rock on the Trans-Canada Highway? You had the contract from Fort Frances to Kenora, and how many thousands of cubic yards per mile of clay surface was put on there?
- A. I do not remember those figures offhand. The size of the spawls and the size of the rock at subgrade would govern the quantities. That is, if your subgrade was built up of large sections of solid rock, there would naturally be bigger spaces to fill up.
- Q. What would be a reasonable quantity for roads of this standard in the north country, per mile?
- A. It would not be a reasonable quantity, but it would be a reasonable depth of clay over the rock.
  - Q. What would be the usual quantity of clay over the rock?
- A. The only way to calculate that would be to take your subgrade as being perfectly level—
- Q. What would be the usual quantity that was put on the surface between Fort Frances and Kenora, or the Dufferin Construction job?
  - MR. Francis: I think it was \$1.60.
- MR. MACAULAY: Q. Do you know how many cubic yards a mile, on the average?
- Mr. Francis: I am in accord with Mr. Campbell there that it is pretty hard to estimate that, per mile.
- Mr. Macaulay: I can get the figures from the Dufferin job. Would you say, Mr. Campbell, that the conditions were similar, and the same standard of grade and the same type of country?

WITNESS: That is a pretty hard question to answer definitely. It is the comparison of two sections a long way apart. The comparing of two pieces of country is difficult at any time.

HON. MR. ROEBUCK: It depends upon where you have to get the clay, how available it is, and the means of transportation, and other things?

# A. Yes.

MR. MACAULAY: Q. The gravel in Hewitson's contract is \$2.75, and I see in the contract it is \$2.40.

### A. Yes.

Q. Was it reduced to that amount after consultation with the Dominion engineer, do you say?

### A. Yes.

- Q. And that would apply to anybody who had a contract on this job,—it would not affect the bid price?
  - A. No, it would not affect the bid price.
  - Q. Because there was no estimated quantity?

### A. No.

- Q. Here is a 30-mile job, and if you had 5,000 cubic yards per mile, that is 150,000 cubic yards, at \$1.05 a yard, there would be an item of \$150,000, which would be the biggest single item in the whole contract. Do you think that is a balanced bid, to allow people to tender on contracts without any estimated quantity for an item that must run or may run to \$150,000?
- A. On this particular contract, it was not necessary to do that work. This work was being carried on as an employment relief project, and if labour conditions improved so that men did not need to be employed, it was not necessary to go on and finish it, under the conditions under which the contract was let.
  - Q. Before it can be finished, it will have to be surfaced?

# A. Yes.

HON. MR. ROEBUCK: Q. Was there any obligation on the part of the contractor to go on and do it at that price?

- A. No, there was no obligation on his part.
- Q. Was there any obligation on the Government?

MR. MACAULAY: Certainly there was an obligation,—there is the contract.

HON. MR. ROEBUCK: If the contractor moves a single yard, he might comply?

A. Yes.

- Q. So that, if the Government was going on with this work, were they entitled to call for tenders on it?
  - A. Yes, if they were going to do it, distinctly.
- MR. MACAULAY: But, if the contractor is going to move one yard, it would cost more proportionately than if he were going to move 150,000 yards?
  - A. I do not know.
- Q. Surely you will not tell me that where there is a large yardage unit classification, that the price would not be lower than if there was a very much smaller yardage, If you were bidding on a job where there were 5,000 yards of rock and you had an offer to bid on another job where there were 150,000 yards of rock, would not your price for the larger quantity be smaller than for the smaller quantity, other conditions being equal?
  - Q. That would depend entirely upon the conditions.
- Q. If the conditions were equal, if you had a rock out here with 5,000 yards in it, and another one a mile away with 100,000 yards in it, couldn't you move the larger quantity cheaper per yard than you could the smaller quantity?
  - A. Not if you were all set up right adjacent to the work on both jobs.
- Q. Then what is the necessity of estimating any quantities for a bid on a highway job? Why put in any quantities if it does not matter whether it is big or little, why does the Highway Department always put in closely reasoned quantities of earth and rock and concrete,—there is a lot of that?
- A. That is a lot different from the hypothetical case which you just gave me, I think. On these particular cases, no contract was anywhere adjacent to the work when it started. Naturally, everyone bidding on that would have to estimate on the cost of moving his equipment on it and making his organization.
- Q. And that cost is different, if it is to be spread over 150,000 yards of earth than as if he was only going to be called upon to move one?
  - A. Certainly.
- Q. So, in order to estimate the price, he has to have some idea of the estimated quantities?
  - A. Yes.

MR. MURPHY: In that contract you would have some idea of how much clay and gravel you would have, wouldn't you?

MR. MACAULAY: Q. How much gravel per mile was put on the Kenora-Fort Frances Road to make it fit to travel on?

- A. I do not remember the figures offhand. It is a year now since I had anything to do with it.
  - Q. Is there anybody who does know? Do you know, Mr. Bishop?

MR. BISHOP: I had nothing to do with it.

HON. Mr. ROEBUCK: I would object to the question. You cannot call a man and re-examine him upon the Fort Frances-Kenora contract.

MR. MACAULAY: I want to find out about the quantities.

MR. CAMPBELL: It is already in the records of this session, I think.

Mr. Macaulay: Is there anybody here in the Department that has that information?

HON. MR. ROEBUCK: We had all that last year. I do not know how relevant it is. There is no expenditure before us that we are examining into, in respect to this particular item in that contract, because nothing has been done or may ever be done.

Mr. Macaulay: I am questioning the mode of contracting with no estimate made. The job was closed down, and we are examining to see why it was closed down.

HON. Mr. ROEBUCK: Of course the contract provides that it may be closed down.

MR. MACAULAY: Q. Can you tell me, Mr. Smith, what you would estimate it would cost to put this road in shape, under the unit heading of gravel surface?

MR. SMITH: I have not the slightest idea of what it would cost.

MR. MACAULAY: I see it is in the contract at \$2.40 per cubic yard.

Hon. Mr. Roebuck: Which was a reduction from the estimate of \$2.75.

Mr. Macaulay: Q. I see that the Tomlinson Construction Company in their estimate put the clay surface at a dollar, and the gravel at a dollar per cubic yard. The Campbell Construction Company, in their bid, bid 75 cents for clay surface per cubic yard, and 50 cents for gravel surface,—of course they did not get the contract.

WITNESS: That is not the same basis.

Q. Absolutely the same basis. What is wrong with the basis? It is the same road, and it is the same file of bid I am quoting from. Are not these bids on the same piece?

A. Yes.

- Q. Let us go through and see what the others bid.
- Mr. Murphy: Take a little time and go into it.
- Mr. Macaulay: Let us see if the estimated quantity was not figuring in somebody's mind when the contract was let. I have given you the figures for Tomlinson Construction Company, and then for the Campbell Construction Company.
  - MR. MURPHY: How many bids were there on that road?
- Mr. Macaulay: Q. What was the total bid or estimate? Do you remember what the contract was?
- A. I do not remember, unless it is shown in the contract. I think it was \$521,000.
- Q. I see Hewitson's bid was \$521,000. Of course there was nothing put in for the amount of the clay surface at \$1.85 per yard, and nothing put in for the gravel surface at \$2.75 per yard. But the Campbell Construction Company, I understand they have clay surface at 75 cents per cubic yard, and the gravel surface at 50 cents, and their tender comes to \$528,955. So that if there were any considerable quantities of the clay surface and gravel surface put on this road, the Campbell Construction tender would have been the lower, would it not?
- A. If it had been awarded as part of the contract, and had been done under it.
- HON. MR. ROEBUCK: Did the Campbell bid have no other items in the bid which influenced the final result?
  - MR. MACAULAY: There were only the two, I think.
- Q. So that, if there were any considerable quantities of clay surface and gravel surface which had to be done on this road, the Hewitson Construction Company's tender would not have been the lowest tender?
  - A. There has been no clay or gravel surface put on it.
- Q. But you did not know when you let the contract whether you were going to go on with the clay surface or the gravel surface, did you, so how could you tell whether the Hewitson bid was the lowest tender?
  - A. It was the lowest tender for the portion of work to be done.
  - Q. You mean for the quantities estimated on the tender form?
  - A. For the subgrade.
- HON. MR. ROEBUCK: Q. Was there any assurance, Mr. Campbell, that these other tenderers would go on and do the surfacing at that rate?

A. No.

HON. MR. ROEBUCK: One yard would have satisfied the obligation of the contractor.

MR. MACAULAY: It might be a very different thing if the officers of the Crown would take it up.

WITNESS: The contractor was bound to do his work up to the amount of his tender.

- Q. What was the sense of using a bid, if he was only bound to do one yard, for a contract estimated at a half a million dollars?
- A. The previous practice in the Department was to include items along the same line, and in many instances they were never used.
- Q. But it could be used as a method of enabling you to call for the performance of a bid, couldn't it? You know the Department of Highways never let bids on that basis.
  - A. That I could not say.

MR. MURPHY: If they were not going to go on with them, why did they change the prices?

Mr. Macaulay: He does not know.

MR. MURPHY: Why did they change the prices?

MR. MACAULAY: Q. Why did you fix a price in your contract for \$2.40 for gravel surface, when you had a bid here for 50 cents per cubic yard?

- A. We would naturally know that they could not put the gravel surface on for 50 cents a yard. It was only a catch bid, and we could not have held them to do it.
  - Q. Why couldn't you compel them to do it?
  - A. We could only compel them to do the certain amount of work.
- Q. Why put in a price for anything you cannot compel them to do any work on?
- A. That has been the practice for years in the Department. Still, you might some time want to compel them to do it. This was unemployment relief work, to make work for men.
- Q. It was mostly done by machine, wasn't it? If it was to make work for men, it would be done by station men at so much a yard unit price?
  - A. That I do not know, I do not think so.

- O. What?
- A. I do not think so.
- Q. You do not think that most of this job was done by station men?
- A. I would have no occasion of knowing that.
- Q. Is it not your business, under the contract, to know if there is any sub-letting going on?
  - A. There is no sub-letting on the contract.
  - Q. Is not stationing it out sub-letting it?
  - A. No.
  - O. What is it?
- A. Under the conditions in which the station work was done, any station work that was done the men were guaranteed a certain price per hour for the time they worked. If they could not move sufficient of the stuff at their station price, the contractor must make up the difference to 35 cents an hour.
- Q. How could you check that up, unless you went into it and knew about the station men's contract?
- A. There were men placed on the job to look after that, under the Department of Labour.
  - Q. They knew about the station work, then?
  - A. I do not know, I am sure.
- Q. How did these men make their arrangements with the successful tenderer? Were their names sent in through some relief agency, or did they make them independent of any public authority?
  - A. What is that?
- Q. If I was a station man and wanted to make a contract with the Hewitson Construction Company for 300 or 400 feet, did I have to have my name approved by some unemployment relief bureau, or did I make my arrangements direct with the Hewitson Construction Company?
- A. I presume you would make your arrangements direct with the Hewitson Construction Company. If any man came out and complained that he had not received 35 cents an hour for his services, the Department of Labour had a man who would check up on the number of hours that he worked and see that he got 35 cents an hour.

- Q. How could you tell who was getting employment on this job, if you had no supervision over the employment of these men?
  - A. What do you mean?
- Q. I am told that foreigners from Montreal and Winnipeg, and from all over the continent, came, and that 85 per cent of the men on this job were foreigners.
- A. The agreement on this work said that there would be no preference shown to locality.
  - Q. I thought that they had to be under relief.
  - A. No, I do not know that there is anything about that.
- Q. Was there any restriction at all as to where they were to get their labour?
  - A. I would have to look back over that, now.
- Q. Mr. Bishop, have you any records which will show who the people employed along this road would be, any record of the station men?

Mr. BISHOP: The Dominion Government had men to check up all the time on men who were not eligible for employment.

MR. MACAULAY: Who was not eligible?

MR. BISHOP: Any man who came in there without coming through the proper channels.

MR. MACAULAY: What were the departmental channels?

Mr. Bishop: It is mentioned, I think, in the document, the Department of Labour.

 $\ensuremath{\mathsf{Hon}}.$  Mr. Roebuck: The Departments of Labour of both Governments had arrangements.

Mr. Macaulay: What check was made or proof given by the Department of Labour?

Mr. Bishop: The Government had men there going about from camp to camp checking up on the men every week.

WITNESS: In the contract it says that all labour used on these contracts shall be supplied through the Department of Labour. The contractors, however, shall be at liberty to employ such men as are needed for supervision, etc. Such men, however, shall not exceed 35 per cent of the total.

It was a relief project; and the last paragraph provides: That the Depart-

ment reserves the right to rotate the supply of labour, teams and teamsters at two weeks interval.

Mr. Macaulay: Do you know why this job was closed down, Mr. Campbell, —were you in the Department at that time?

A. No, I had nothing to do with that.

HON. Mr. ROEBUCK: May I clear up one thing before we pass on? Were these men limited to 35 cents per hour.

- A. That was the minimum wage.
- Q. They could make more than that?
- A. Oh, yes.
- Q. That was not a standard wage, they could make more?
- A. Yes.

Mr. Macaulay: Q. What happened if they did not make more than 35 cents an hour on the station?

- A. They were paid 35 cents an hour.
- Q. The contractor could let them go,—he did not have to keep them on?
- A. If they fell down on the job.

Mr. BISHOP: Every man who was there on relief was paid 35 cents an hour; and some station men got more than that.

MR. MACAULAY: Just before we finish with Mr. Bishop, just to put it on the record, I am asking him to produce the final estimate and progress certificates between March, 1936, and the closing down of the job in June of 1936.

HON. MR. ROEBUCK: And you are satisfied that the usual ruling prevails?

MR. MACAULAY: I understand that the Chairman rules that we are not entitled to that information.

That is all, Mr. Campbell.

Mr. Macaulay: I would like to recall Mr. Smith to complete this.

R. M. SMITH, recalled:

By Mr. Macaulay: Q. Mr. Smith, I do not want to get you into an argument with anybody, because I know you are a civil servant, and I do not want

to embarrass you at all, but I am looking for a little light on a difficult subject. Let us see those bids. This Hewitson contract has in it no maximum amount that he could earn under that. Mr. Campbell said the most that you could call on him to do was the \$521,148.00,—Hewitson's tender total quantities with the unit prices, where there are estimates. The gross total of his estimate was how much?

# A. \$521,148.00.

- Q. That did not include anything for items of classification as to which there was no estimate of quantities, did it?
  - A. Apparently not, no.
- Q. Now, the two items that bulk large, if you are going to complete the road like the Trans-Canada Highway, would be the clay surface and gravel surface, would they not,—there would be considerable quantities used before it is ready to travel on?
  - A. Yes, there would be fairly large quantities.
- Q. So that, if you are going to complete this road so that it could be travelled on it could not be done for \$521,000 on this contractor's bid?
- A. No, of course this apparently only covered up to the subgrade. At least that is all the quantities shown in that tender.
- Q. I recognize you were not Deputy Minister at the time, but you are now in charge of the completion of these jobs. Why put in a price for the gravel surface when there was no estimated quantity? To-day, what is your practice? You are letting a lot of contracts in the north right now, and what is your practice?
  - A. We would put in the quantity.
  - Q. You would put in an estimated quantity in the bid forms?
  - A. Yes, we would.
- Q. And under this previous practice, in which they put in no estimated quantity but a price of \$2.40 for gravel surface, you would have to straighten up some of these contracts, and do you agree with the view that all that that contractor is entitled to is to move one yard at that contracted price,—that that is all that you can call upon him to do?
- A. Well, I do not know. I have made no study of this contract, Mr. Macaulay, and I do not know what their thought was in preparing those tenders as they did.
- Mr. Macaulay: Q. I am talking from a construction point of view; you must have some ideas on it. Is it a sensible way to draw an elaborate contract for \$2.40 for a gravel surface to say a contractor is only bound to move one yard; you are only bound to let him move one yard—

HON. MR. ROEBUCK: I do not know that that is a fair question to ask this witness—whether that is the sensible way. This Committee can judge as to the sensibleness of it.

Mr. Macaulay: Q. Is it good engineering practice to let a contract for a road 30 miles long of which the Department—

HON. Mr. ROEBUCK: Good engineering is another matter of opinion. Let us ask the witness first: Is it a usual or an unusual practice?

MR. MACAULAY: Q. Is it your practice in letting these contracts now in the north—

THE CHAIRMAN: The witness has answered that; he said: "No."

HON. MR. ROEBUCK: Q. Mr. Smith-

MR. MACAULAY: Just a minute and I will finish; I will be through in a minute.

Q. This bid of \$521,148, if it was for a bid for a completed road—

MR. COLTER: It is not; it is subgrade, as I understand it.

HON. Mr. ROEBUCK: That is what I was going to ask the witness, to clear it up.

MR. MACAULAY: It provides that they call on a contractor to provide a clay surface and a gravel surface for a road at a certain price without any estimated quantities.

- Q. Is that a bid which you call, in the engineering profession—you have been letting contracts for how long—twenty years?
  - A. No; not quite that long.
  - O. Is that what engineers commonly regard as an unbalanced bid?
- A. I would not like to say Yes or No to that. If it was the intention of the Government to provide only for the work of the subgrade, that bid might be quite balanced.
  - Q. It depends on whether they were going to complete the road or not?
  - A. The "Information to bidders" would more or less tell us.

HON. MR. ROEBUCK: Q. Have you got that there?

A. The "Information to bidders"?

THE CHAIRMAN: It is one o'clock now Mr. Macaulay; do you want to go on at three o'clock?

MR. MACAULAY: I will be through as soon as we put this in.

THE WITNESS: I don't see the information here. The bond says "Perform the clearing and grading of the section of the Trans-Canada Highway from Schreiber to White River, mileage 85 to mileage 108.25."

HON. MR. ROEBUCK: Q. And the plans and specification would also give an idea?

A. The contract says "Clearing and grading between Schreiber and White River, mileage 85 to mileage 108.25"; clearing and grading.

Q. That means the subgrading?

MR. MACAULAY: Q. It is not on the same sort of bid and tender, on the Trans-Canada job?

A. I haven't studied that.

Mr. Schwenger: Clay and gravel is not included in the Dufferin contract; it was to subgrade.

Mr. Murphy: It was let right in the same contract for \$651,000, the same thing with the unit prices.

MR. MACAULAY: They got it, and without tenders.

Mr. Murphy: And did not have a bid.

Mr. Schwenger: For one yard.

Mr. Macaulay: Q. This is not a bid for one yard, it was a bid without quantities, so all I am asking you, Mr. Smith, is, as Mr. Schwenger agrees that other contracts and similar contracts for an unestimated quantity of gravel and clay were awarded to the successful tenderer without any further bids?

A. It applied to the Dufferin job.

Q. Did it apply on any other jobs?

A. Not to my knowledge. I don't know of any others.

HON. MR. ROEBUCK: Q. You have no right to go on putting gravel and clay on without further orders from your Department?

A. No.

THE CHAIRMAN: Q. What did the bond call for?

A. For the amount of the contract.

HON. MR. ROEBUCK: Q. Is it true, before the election, that on the Trans-Canada Highway the contracts were let without clay and graveling?

A. I have no knowledge of those contracts.

I understand that is the case, up to the subgrade only, and the question of clay and gravel came out later on. This evidence of so much for clay and gravel is pretty much waste paper.

Mr. Murphy: Why did they change the units in the original contract?

HON. MR. ROEBUCK: Why put it in at all; they have been putting it in like that for years.

THE CHAIRMAN: The evidence of Mr. Smith or Mr. Campbell was that that was a catch bait; they apparently knew the work could not be done for that price.

MR. MURPHY: It is an open contract.

THE CHAIRMAN: Mr. Campbell said that the contractor would put in a ridiculously low bid that he could not carry out.

MR. Murphy: That has nothing to do with Mr. Campbell. This contractor is bidding on a contract that is advertised, and he knows the conditions and if he makes a bid of that kind it is up to him.

Mr. Macaulay: That is all I have to bring up.

HON. MR. ROEBUCK: If you are through with Mr. Smith I would like to ask Mr. Campbell to answer some questions.

ROBERT A. CAMPBELL, recalled:

HON. MR. ROEBUCK: Q. I have a statement here which is called "Statement re contract"; you have seen this statement before. Now the Kenora District No. 17, that is the number of the section of the road referred to?

- A. Yes; that is the contract number.
- Q. And George S. Grant & Company is the successful contractor or tenderer?
  - A. Yes.
- Q. And the tender closed on the 19th of April, 1934, for this particular contract?
  - A. To the best of my knowledge.

Mr. MACAULAY: He was not there.

HON. MR. ROEBUCK: He knows of this; this was under his supervision.

Mr. Macaulay: You get along faster with Mr. Roebuck than with me, Mr. Campbell. That is all I have to say.

HON. MR. ROEBUCK: Q. The contractor was notified on April 26th, 1934, and the date of the contract is May 7th, 1934—

MR. MACAULAY: Read it all to him and ask him to say Yes.

HON. MR. ROEBUCK: I am going to, and he will say Yes.

Q. Does that show at that time that this practice which my friend has been enquiring into was in progress in the contract dated May 7th, 1934, and in June they let the extension for the clay and gravelling?

# A. Yes.

- Q. That is what that means. Can you indicate to the Committee that this custom was in existence prior to your taking office?
- A. Yes; all this work was done primarily as an unemployment relief project, and no one knew how long unemployment was going to exist.

# Q. This is called—

- A. The work was let for certain portions of it to be carried on, possibly, to a certain period of time, and if conditions improved it is not necessary to go further with the work, and if conditions were improved some the work had to be carried on to provide employment.
- Q. Can you tell me whether in all these contracts (there are five of them) the work was carried to the subgrade and the clay and graveling was considered an extension?

## A. Yes.

- Q. And the dates when the extensions were given, in each one of the contracts, was June 14th, 1934?
  - A. Four contracts; Yes.
- Q. Four of them rather, in June; and the Dufferin Paving Company was the 24th of April, 1935?

### A. Yes.

Q. Evidently the Department is just carrying out the practice which had been in existence previously?

A. The primary object of the work was not to get it done as cheaply as possible, it was to employ the men.

Mr. Macaulay: In view of your ruling, Mr. Chairman, I wanted to examine Mr. Bishop, Mr. Smith and Mr. Campbell in respect of the final payments of this contract, and unless we get a different ruling in future we cannot do it. Unless we get authority from the House to do it I will have to take into consideration what my next proceedings will be.

HON. MR. ROEBUCK: Are you sure it is up to the House?

MR. MACAULAY: Yes. Remember Paul Munro when looking into the expenditures went into the current year, in this Committee.

MR. MURPHY: Pay rolls, etc.

MR. COLTER: After the 31st of October?

MR. MACAULAY: Yes.

HON. MR. ROEBUCK: Well, the House may give us the authority to do the same thing.

THE CHAIRMAN: When does the Committee want to meet again?

MR. MACAULAY: Will my honourable friend let me know at three o'clock whether you propose to give us that authority or not?

HON. MR. ROEBUCK: I will let you know now; I will oppose it in the House, but you can make your motion.

THE CHAIRMAN: What about any future meetings?

MR. MACAULAY: If it does not carry in the House, there is no object in having any further meetings; that is why I am asking.

HON. MR. ROEBUCK: I see; if you care to go to the House and are successful—

THE CHAIRMAN: The Committee stands adjourned sine die.

Whereupon the Committee adjourned sine die.

# SEVENTH SITTING

Parliament Buildings, Toronto, March 24th, 1937, at 10.00 a.m.

THE CHAIRMAN: Gentlemen, will you please come to order. The Secretary will call the Roll.

The Secretary called the Roll of Members.

THE CHAIRMAN: All right, Mr. Ellis.

Mr. Ellis: Mr. Chairman, I beg leave to move, seconded by Mr. Craig:

That the Honourable Mr. Hepburn, Messrs. J. J. Glass, E. G. Odette, B. Dennis, Walter Osborne and Nina Osborne be summoned to appear before the Public Accounts Committee on March 24th at 10 a.m. to give evidence relating to improper interference with the administration of the Liquor Control Act and that this Committee continue to sit after prorogation of the House, if necessary.

HON. MR. ROEBUCK: Mr. Chairman, there are two things in regard to that, I would like to move a resolution that we call the Committee together to find out why Arthur does not stop beating his wife. Mr. Ellis, you are calling us together about improper interference with the Liquor Control Act; you are assuming there was something improper.

MR. ELLIS: I am going to prove.

HON. MR. ROEBUCK: It is on the same basis as, Why don't you stop beating your wife?

MR. Ellis: I am going to prove.

HON. MR. ROEBUCK: That might be, but until you have proved you should not have described it as such. Where is the item in the Public Accounts that we are examining and that this is incidental to?

MR. ELLIS: Pardon.

HON. MR. ROEBUCK: Where is the item in the Public Accounts?

Mr. Ellis: I will pick one out. Do you not want an investigation?

HON. MR. ROEBUCK: That is not the question at all. I might be very anxious to.

Mr. Ellis: Do you or do you not?

HON. MR. ROEBUCK: I am not under examination in that way.

Mr. Ellis: You have made some objections, and I want to know your reasons.

HON. MR. ROEBUCK: I am certainly not going to give into a resolution of this kind—to enquire into improper conduct by the Prime Minister without there being evidence of improper conduct.

Mr. Ellis: How do you know there is not? In other words you do not want an investigation.

HON. MR. ROEBUCK: I am not going to enquire into something that never took place.

MR. ELLIS: Assuming that I can prove that it did take place do you prohibit me having an opportunity to prove certain charges; is that what you have in your mind?

MR. BAKER: That was all settled in the House.

MR. ELLIS: If you will pardon me Mr. Baker, I am talking to the Attorney-General, and the minute I am through you may ask any question you wish and say anything you wish, also.

HON. MR. ROEBUCK: My likes or dislikes are of no interest to this Committee at all.

Mr. Ellis: Then why talk about them?

HON. Mr. ROEBUCK: That resolution is highly improper, because you are assuming, as you said yourself.

Mr. Ellis: I am not assuming; I am charging.

HON. MR. ROEBUCK: You said that you were assuming it to be true.

Mr. Ellis: I am not assuming; I am going to prove.

The Chairman: I may say that the wording of your resolution is quite improper. You are prejudging the findings of this Committee. It may very well be there was no improper conduct at all. If your resolution was worded differently—

Mr. Ellis: I will word it differently.

Mr. Fulford: The resolution is not worded properly.

THE CHAIRMAN: Mr. Ellis has an accusation of the Prime Minister and other persons doing improper things.

MR. ELLIS: Well, I will word it differently.

HON. MR. ROEBUCK: While Mr. Ellis is rewriting his resolution, supposing

that you take a resolution from me, that we examine into the improper conduct of Mr. Henry in laying before the House affidavits which he did not vouch for and for which he would not stake his seat.

MR. Ellis: I will agree to that resolution; I agree to it.

THE CHAIRMAN: I will not agree to it, and I will not accept it.

Mr. Ellis: I agree, on behalf of the Opposition.

THE CHAIRMAN: I won't agree. Under these circumstances it is assuming the function of this Committee. It is not the function of this Committee to say whether or not Mr. Henry's conduct was improper, and it is not for the introducer of a resolution to find anybody guilty.

MR. BAKER: Is it not an effort on your part, Mr. Ellis, to make the present Government appear just about as black as the old Government?

MR. Ellis: Assuming that it was, don't you think it would be a very good idea if we did.

MR. BAKER: Tell us what you have in mind.

Mr. Ellis: Certainly I will tell you. There are certain affidavits and certain evidence that can be produced that will convince this Committee that there has been interference with The Liquor Control Act. Should not the public know that? Would you not like to know that yourself if there has been? Why should anybody stake their seat? Will you stake your seat?

MR. BAKER: Certainly.

Mr. Ellis: Will you stake your seat that there has not been improper interference with The Liquor Control Act?

MR. BAKER: That is pretty small stuff; that is trash and you know it.

MR. Ellis: It is not, surely. Will you stake your seat that there has not been improper interference with the Liquor Control Act?

THE CHAIRMAN: How can a Member do that when he does not know anything about it?

HON. MR. ROEBUCK: No; Mr. Ellis is just playing his hand. Mr. Ellis knows perfectly well, Mr. Chairman, that the place for a motion of that kind is in the House and not here.

The Chairman: I cannot see, Mr. Ellis, that this Committee of the Public Accounts has any power or jurisdiction to deal with a propriety or impropriety of any reports or pressure brought to bear on the Liquor Control Board.

Mr. Ellis: What Committee do you think it should go before?

The Chairman: A special committee, probably, or probably a committee on privileges and elections or some committee like that to deal with a resolution of that kind. I do not consider that we have any power to deal with it because I do not know how you can frame any resolution to bring it under any section of the Public Accounts.

HON. MR. ROEBUCK: Fancy the Public Accounts Committee going into the propriety of the actions of members.

HON. MR. HENRY: It is a matter of the administration of the Liquor Control Board.

HON. MR. ROEBUCK: You know very well, Mr. Henry, that this is not the place for such an examination. If you had wanted to you could have moved it in the House.

THE CHAIRMAN: Do you claim, Mr. Henry, with your experience in the Public Accounts Committee, that this is the Committee to deal with the resolution?

HON. MR. HENRY: I don't know why it is not, to find out whether they have been irregularities or improper functioning of the Government.

THE CHAIRMAN: Dealing with the expenditure of public money?

Mr. Ellis: Yes; you can surely bring in the expenditures of the Liquor Control Board.

THE CHAIRMAN: I cannot agree with you.

MR. Ellis: I think we are trying to be fair.

HON. Mr. ROEBUCK: We are not—you are not.

Mr. Ellis: You assume we are not. You said you are not trying to be fair and I agreed that you are not.

HON. MR. ROEBUCK: Of course I don't. Why do you want to put words in my mouth?

Mr. Ellis: I don't want to put words in your mouth. I want to point out to you, Mr. Chairman, all the revenue that goes to the Liquor Control Board; there are the revenues from licenses, beverage rooms, etc., are there not?

THE CHAIRMAN: Yes.

MR. ELLIS: Right; and I am going to deal with the part of the revenue which the Liquor Control Board got and I am going to deal especially with the money they got from one particular individual by the name of B. Dennis. I will add to my resolution an item from the Public Accounts which will show the revenue the Liquor Control Board got, and the thing I am going to deal

with is the one particular revenue they got from a license granted to one B. Dennis. I say that is within the purview of this Committee.

The Chairman: May I make a suggestion, Mr. Ellis, if you frame your resolution to deal with the moneys shown in the Public Accounts covering these licenses, I will accept the resolution, and I think the Attorney-General will. Don't allege there is any impropriety in your resolution; frame it on that particular item, and ask for the witnesses you want to come in.

MR. ELLIS: I think you are right.

HON. Mr. ROEBUCK: Now then you are beginning to be fair.

Mr. Ellis: Well, sometimes I am.

THE CHAIRMAN: The way your resolution is presented, we may as well pass a resolution to examine Dr. Roberts in this Committee.

MR. Ellis: Well, I will read this resolution, and if the Attorney-General wants to amend it, I will be very glad to hear his views: (Reads)

That the Honourable Mr. Hepburn, Messrs. J. J. Glass, E. G. Odette, Walter Osborne, Nina Osborne and B. Dennis be summoned to appear before the Public Accounts Committee on March 24th, at 10 o'clock a.m. to give evidence relating to item on page 18 of the Public Accounts for the fiscal year ending March 31st, 1936, under the heading of "Liquor Control Board," profits, fines, licenses, etc., \$8,010,000, and as to whether or not there has been interference with the administration of the Liquor Control Act and that this Committee continue to sit after the prorogation of the House, if necessary.

HON. MR. ROEBUCK: I would like to make two suggestions: First, that you strike out of the resolution the date of the meeting which is to be fixed by the Committee.

MR. Ellis: No; I am going to leave that date in, and I am going to have a vote on it.

HON. MR. HENRY: You should make that date read the 25th of March and not the 24th.

Mr. Ellis: I am sorry; I am wrong. I will change it to the 25th. I am not striking out the words "March 25th"; I am going to put it to the Committee.

HON. Mr. ROEBUCK: My suggestion is not accepted then.

THE CHAIRMAN: How can you have a Committee here on the last day?

MR. Ellis: Pardon me. The Committee on Privileges and Elections is going to sit after prorogation, and if necessary, you could have this Committee sit also.

THE CHAIRMAN: I was just wondering about to-morrow.

Mr. Ellis: I am going to deal with a particular sum of money which the Liquor Control Board received from certain individuals, and which is included in the total amount.

Mr. Baker: You are asking that particular item for the express purpose of that resolution. What right have you to investigate on that particular item; there is nothing wrong with it.

MR. ELLIS: You don't know anything about it.

Mr. Baker: Do you?

MR. Ellis: Yes; and I am going to tell you that I am producing witnesses.

THE CHAIRMAN: I suggest that the witnesses should tell, and not you.

MR. ELLIS: I am not going to tell, no; lawyers do not disclose their hands.

MR. BAKER: Your hand has been discussed and it is quite plain that you have only one object in view, and that is to publish this account and to keep it in the minds of the people.

MR. ELLIS: If there is more evidence to be produced are you not willing to hear it, if there is something wrong?

MR. BAKER: I am not willing to hear suppositions.

HON. MR. ROEBUCK: May I have the floor for just a moment. The item in the Public Accounts to which Mr. Ellis makes reference is this: just under the main heading is Provincial Treasurer's Department, and underneath is a subheading and then:

"Profits, fines, licenses, etc., \$8,010,000" and the next item is: "Permit fees, \$325,000" a grand total of \$8,335,000; I think that is the item he is referring to.

Mr. Ellis: Yes.

HON. MR. ROEBUCK: The last words in your resolution—I did not write it down; I am only speaking from memory—

Mr. Ellis: Perhaps this is what you object to "as to whether or not there has been improper interference"; if you like I will strike that out.

THE CHAIRMAN: I think you should strike that out. From evidence before the Committee you will be able to find that out?

HON. MR. ROEBUCK: What you are enquiring into is that item.

Mr. Ellis: Have you anything in your mind about limiting the investigation? I am asking you an honest question and I would like an honest answer.

HON. MR. ROEBUCK: I have not considered at all the question of limitation of the investigation; we will have to consider that, and the Chairman will have to make his usual rulings at the right time.

MR. Ellis: I hope it is not as usual.

THE CHAIRMAN: Right rulings at the regular time.

HON. MR. ROEBUCK: Perhaps, Mr. Ellis, you will let me write down the resolution.

MR. Ellis: Write it down in toto, and then I want to ask you if you want to object.

HON. MR. ROEBUCK: Dictate it slowly so that I can write it down.

Mr. Ellis: I am going to give you every chance to consider the resolution, Mr. Attorney-General.

HON. MR. ROEBUCK: Yes.

MR. Ellis reads:

That the Honourable Mr. Hepburn, Messrs. J. J. Glass, E. G. Odette, Arnold Smith, Walter Osborne, Nina Osborne and B. Dennis be summoned to appear before the Public Accounts Committee on March 25th at 10 o'clock a.m. to give evidence relating to item on page 18 of the Public Accounts for the fiscal year ending March 31st, 1936, under the heading "Liquor Control Board," profits, fines, licenses, etc., \$8,010,000, and to give evidence as to whether or not—

HON. MR. ROEBUCK: Is not that what you are striking out?

MR. Ellis: No, no. (Continuing reading):

as to whether or not there has been interference with the administration of The Liquor Control Act, and that this Committee continue to sit after prorogation of the House, if necessary.

That is seconded by Mr. Craig.

HON. MR. ROEBUCK: Yes; well, I move an amendment that the words "on March 25th at 10 a.m." be struck out. We will decide on a further resolution or series of resolutions with regard to the functions of the Committee and its sitting. The first resolution is that the words "on March 25th at 10 a.m." be struck out.

Mr. Ellis: Mr. Attorney-General, if you will give me your definite assurance that the Committee will sit on a certain day or within a certain limitation of time I will agree to your amendment. Now, will you do that?

Hon. Mr. Roebuck: I cannot give the assurance of the Committee that

we will immediately take up when we will sit. It is not good form and it is not a wise practice to mix in one resolution two separate and distinct matters. The reason I am striking it out is that it should be a second resolution.

MR. Ellis: Do you agree that the Committee should sit to-morrow on the other part of my resolution?

HON. MR. ROEBUCK: I am objecting-

MR. Ellis: Answer my question first, and then give your reason.

Mr. Baker: I am going to vote against that resolution.

Mr. Ellis: Because you are afraid of something. Why not have an investigation?

MR. BAKER: The thing had been settled in the House, and I don't want to bring the Prime Minister down to the level of the political thugs such as you produce.

MR. Ellis: Are you in a position to talk about political thugs?

MR. BAKER: I know something about most of the people.

MR. Ellis: Why not have them come before the Committee and get themselves whitewashed, and get a whitewash for you and your party.

Mr. Baker: I am telling you I am voting against the resolution.

Mr. Ellis: Everybody knows that you would, because you are afraid.

Mr. Baker: That's cowardly.

Mr. Ellis: You are the cowardly one.

Mr. Baker: My record is just as clean as yours.

Mr. Ellis: You say these people are a lot of political thugs, then why not have them come before the Committee to get themselves whitewashed?

Mr. Newman: Mr. Chairman, this thing should stop. It is all nonsense. Such personalities should be cut out.

Mr. Challies: I rather agree with the Member.

HON. MR. ROEBUCK: I can give my friend this assurance, whatever it amounts to, that the striking out of "March 25th at 10 o'clock a.m." has no significance. There should be two questions, voted on separately, and they should be in good procedure. Or perhaps you will eliminate it because you will bring in another resolution immediately afterwards.

THE CHAIRMAN: If you delete that and carry your main motion—

MR. ELLIS: No.

THE CHAIRMAN: I mean, in order to give the Attorney-General time.

Mr. Ellis: I have only had a half an hour to consider it myself. Mr. Attorney-General, will you agree on a definite date on which the Committee will sit to hear any part of my motion?

HON. MR. ROEBUCK: That is not a fair thing. As soon as your motion comes in with regard to the date of sitting we will take it up and let all the members of the Committee talk about it.

MR. Ellis: I don't want things adjourned sine die.

HON. MR. ROEBUCK: We have not adjourned sine die.

Mr. Ellis: Will you agree to any date?

HON. MR. ROEBUCK: I am not agreeing to anything.

Mr. Ellis: Why?

HON. Mr. ROEBUCK: I have no power.

Mr. Ellis: You have the power to agree with me; and I am trying to meet your amendment.

THE CHAIRMAN: If you carry your main motion, Mr. Ellis, I do not see how you are going to be hurt.

HON. MR. ROEBUCK: And we will immediately consider the question of meeting.

Mr. Ellis: Will you say definitely that you will fix a definite date, within a week; that will give you ample opportunity to look into things.

HON. MR. ROEBUCK: I am under no obligation to look into things.

MR. ELLIS: You are under an obligation to the people of Ontario.

HON. MR. ROEBUCK: I will discharge my obligation. You discharge yours.

MR. CRAIG: Surely that is a proper resolution.

MR. ELLIS: Fix your own date and I will agree. Could anything be fairer than that?

The Chairman: If I may suggest something: If you agree to delete the date of March 25th, and carry your main motion empowering this Committee to sit—

MR. Ellis: Whenever it chooses? No; I won't agree to that.

THE CHAIRMAN: No, no. Surely you understand that it would be the last thing in the world the Premier of this Province would do—to hold this thing off indefinitely.

Mr. Ellis: Roberts has been held off.

THE CHAIRMAN: Because Sir James Dunn is not here.

Mr. Ellis: I will agree to the Attorney-General's amendment, and he can fix whatever date he chooses.

HON. MR. ROEBUCK: That is all right. As a matter of fact I have no ulterior reasons in connection with this matter.

Mr. Ellis: I know you have not. You fix the date and I will agree.

HON. MR. ROEBUCK: What I do say is that in the mixing of two resolutions in one resolution, I could move against it as a matter of order. It is contrary to the rules to mix two things in one resolution.

Mr. Ellis: Then, I will go further, Mr. Attorney-General: you can pick which portion of my resolution you choose and you can fix whatever date you choose to hear it and I am going to second your amendment.

HON. Mr. ROEBUCK: That is fair and reasonable. Then let us leave out for the moment this matter of when we meet.

Mr. Ellis: No.

HON. Mr. ROEBUCK: Then put it to the vote.

Mr. Ellis: Mr. Attorney-General, surely you heard me. I said that I will agree to your amendment and you can fix whatever date you wish to have the Public Accounts Committee sit to hear any part of the motion which I have moved. Can I do more.

HON. MR. ROEBUCK: Yes; you are putting up to me something I do not have to agree with at all in order to regularize your motion. Your motion is irregular at the moment because it mixes two subjects in one resolution.

Mr. Ellis: Then I will strike out one part, and then will you agree?

HON. MR. ROEBUCK: Which part?

Mr. Ellis: Any part. Will you agree to have a date fixed?

HON. MR. ROEBUCK: My present motion is to strike out the date. Now, you are not going to bulldoze this Committee or me either; I am too old a counsel.

THE CHAIRMAN: There has not been a resolution fixing a specific date yet.

Mr. Ellis: Mr. Chairman, will you agree to the word "forthwith"?

THE CHAIRMAN: I will agree.

HON. MR. ROEBUCK: "Forthwith" would be wrong for this reason that the McGhie Investigation has precedence over it.

MR. Ellis: If I were to abandon it, it has not.

HON. MR. ROEBUCK: All right, if you want to abandon it.

MR. ELLIS: I am not going to.

HON. MR. ROEBUCK: You bring in a resolution, and in that resolution you have a problem of meeting, and it is altogether improper—not improper, it is irregular, it is not the way these things are done. The way these things are done is that you have your subsequent resolution and you agree or disagree on that, and then you decide when you meet to go into it.

Mr. Ellis: Mr. Attorney-General-

THE CHAIRMAN: If you give the Attorney-General time to consult with the Prime Minister to see whether he can attend—

HON. Mr. ROEBUCK: There is no difficulty about this; it is an artificial one raised by Mr. Ellis.

MR. Ellis: No it is not. I do not want you to adjourn *sine die* and this Committee never to sit again.

THE CHAIRMAN: You don't need to be afraid of that as far as I am concerned.

MR. ELLIS: I am trying to be fair. Fix your own date; make it any date you wish while the House is sitting or any date you wish after the House has ceased to sit, and I will agree that any part of the motion you wish should be heard on whatever date you wish. I cannot offer any more; can I?

Hon. Mr. Roebuck: No; you cannot, except that you can offer to regularize your motion.

Mr. Ellis: I will agree to this: You put the motion into what form you think is regular, and tell me what it is and perhaps I may agree to it.

HON. MR. ROEBUCK: The first thing I want is the date eliminated from the motion.

MR. Ellis: Don't you agree with me that the Committee should sit?

HON. MR. ROEBUCK: There is no obligation on me to agree at all.

Mr. Ellis: You take the position that the Committee should not sit on my resolution.

HON. MR. ROEBUCK: I do not.

Mr. Ellis: You agree that it should meet?

HON. MR. ROEBUCK: I do not agree to anything.

Mr. Ellis: Will you agree that it should meet within three months?

HON. Mr. ROEBUCK: I do not agree with you in any respect whatsoever, either that the Committee should or should not meet. You are not going to force anything down my throat.

Mr. Ellis: I am not forcing anything down your throat. I am asking you, as a representative of the people of Ontario, to agree that there should be an investigation whenever a charge is made. I am allowing you to pick your own date; I am allowing you to strike out of the motion anything you wish, so that the people of Ontario may know whether or not what I charge is true or not. If it is not true the public will know, and it will be my fault; and I think the public should be entitled to know whether the charges I have laid are true or not true.

The Chairman: There is an amendment before this Committee that the resolution introduced by Mr. Ellis be amended by striking out the date of March 25th—

Mr. Ellis: Inserting what in lieu thereof?

HON. MR. ROEBUCK: Inserting nothing.

MR. Ellis: Inserting nothing. All right, Mr. Chairman, I know you are fair and I am going to put this to a vote, and will you undertake there will be some words inserted in lieu of March 25th at 10 o'clock a.m.

THE CHAIRMAN: No; I cannot, Mr. Ellis. You can move a resolution before this Committee rises that the Committee consider your resolution at any certain date. I am quite sure you will have somebody of the Committee consult the Prime Minister to see when he is free to attend.

Mr. Ellis: This might meet your objection, Mr. Chairman. The Prime Minister should be consulted to ascertain on which date he can be present. I know he is very busy. What you have in mind is that the Prime Minister should be consulted in order to fix a date acceptable to him.

THE CHAIRMAN: Exactly.

Mr. Ellis: Then I am striking out the words: "The Honourable Mr. Hepburn." Does that meet your objection?

THE CHAIRMAN: I have no objection. Surely this matter can be cleaned up in one day, and that is what I would like to see done.

Mr. Ellis: Wait, Mr. Chairman, you said what you had in mind was (and the Attorney-General said the same) you wanted the Prime Minister consulted—and I think you are right—to see what date would be acceptable to him, so I

am striking out the words "Honourable Mr. Hepburn" and I am not going to call on him for the time being.

HON. MR. ROEBUCK: That does not help you at all; the Prime Minister may want to be here.

MR. Ellis: Then I will strike his name out, and he can come here or not, as he chooses.

HON. MR. ROEBUCK: That does not regularize your motion.

MR. ELLIS: What is wrong with it?

HON. MR. ROEBUCK: You have no business to mix two subjects in one resolution.

Mr. Ellis: I will strike out all the words: "to give evidence relating as to whether or not there has been improper interference with the administration of The Liquor Control Act." Yes, I will strike these words out. Does that meet with your approval?

HON. MR. ROEBUCK: Why, no; of course it does not. I am not going to waver on this point. We will deal with the sittings of the Committee when the time arrives for dealing with it, and we will deal with your motion at its proper time.

Mr. Ellis: What is the proper time?

HON. MR. ROEBUCK: Right now.

MR. Ellis: No; what is the proper time the Committee should deal with my motion? Perhaps I will agree with you if you will fix the time.

HON. MR. ROEBUCK: I will not fix the time.

The Chairman: Mr. Ellis, you know as well as the Attorney-General and other members of the Committee, and better than most on account of your legal experience, that it is almost impossible to fix a date. Supposing you could not get your subpoenaes served inside of a week or probably three days you could have everybody here to be ready to go on.

Mr. Ellis: Suppose I cannot do so, they can be summoned to appear before the Public Accounts Committee on any date the Chairman wishes to fix within one week or ten days or two weeks, and I will give you whichever one of the three you wish.

THE CHAIRMAN: That sounds more reasonable.

Mr. Ellis: All right, now we are making some headway. I have made an amendment that these people be summoned to appear before the Public Accounts Committee within a period of a week, ten days or two weeks; which one of the three would you suggest?

THE CHAIRMAN: Saturday morning would suit me. If I have to stay here I would rather stay and get this matter cleaned up, and I presume every member of the Committee would rather do the same thing.

Mr. Ellis: Within whatever period of time you suggest I mean.

HON. Mr. ROEBUCK: You may as well stop talking, Mr. Ellis.

Mr. Ellis: I am talking to the Chairman and when we have finished you may interrupt but in the meantime please don't. Now, Mr. Chairman, within what period of time do you suggest? I am leaving it entirely to you.

THE CHAIRMAN: It is not for me. I am suggesting that you delete the words "March 25th" and carry your main motion and then before this Committee rises this morning you bring up the question of time. In the meantime they will have had time to consult the Prime Minister as to what date would be suitable. Surely we can clean it up in one day.

Mr. Ellis: Will you agree that the Committee is to sit within one week, on a date to be fixed by the Chairman, after consulting the Prime Minister?

THE CHAIRMAN: I am only the Chairman.

HON. Mr. ROEBUCK: If my amendment carries; it is not yet before the Committee.

Mr. Ellis: The Chairman and I are making a lot of headway. Would you agree to sit within one week on a date to be set by you?

THE CHAIRMAN: It suits me, all right, if it is agreeable to the Committee.

Mr. Ellis: Let us see if it is agreeable to the Committee.

HON. MR. ROEBUCK: My amendment is that the words "March 25th at 10 a.m." be struck out of the motion.

THE CHAIRMAN: We will put that to the Committee.

MR. ELLIS: I am moving an amendment to the amendment.

THE CHAIRMAN: If that is struck out you can move the motion.

Mr. Ellis: You can always move an amendment to an amendment. I am moving an amendment to the amendment of the Attorney-General that the Committee sit within a period of ten days on a date to be fixed by the Chairman after consulting the Prime Minister, and the amendment to the amendment is voted on first.

THE CHAIRMAN: I think that is all right; so far as I am concerned it is all right. Gentlemen, you have heard the amendment to the amendment, namely, that the Committee shall sit on a date within a period of ten days from to-day to be specified by the Chairman; what is your pleasure?

MR. Ellis: Let us have a standing vote.

THE CHAIRMAN: All those in favour of the amendment to the amendment.

Members stand.

THE CHAIRMAN: The amendment to the amendment is lost. The next amendment is that the words "March 25th at 10 a.m." be deleted from the motion—

HON. MR. ROEBUCK: I will read to the Members the words of the motion:

That the Honourable Mr. Hepburn, Messrs. J. J. Glass, E. G. Odette, Walter Osborne, Nina Osborne and B. Dennis be summoned to appear before the Public Accounts Committee on March 25th at 10 a.m. to give evidence relating to an item on page 18 of the Public Accounts . . .

and so on.

Now, if I may state it again my objection is that some may wish to vote against that date or in favour of it, and some may wish to vote on the main substance of the motion, and by mixing the two you are doing things irregularly, so my amendment is that you strike out these words and it has no significance other than the fact that we will deal with the motion first and alone and not to mix it with exterior and extraneous matter, and as soon as the main motion is carried we can then have a motion as to when we are to meet; that is all. I am not trying to obstruct the meeting or to delay it but only to get regularity.

MR. CRAIG: You want two motions instead of one.

HON. MR. ROEBUCK: Nothing else.

Mr. Baker: Now, Mr. Chairman, affidavits were read in the House the other day—

MR. CRAIG: That has nothing to do with it.

Mr. Baker: Yes, it has.

HON. MR. ROEBUCK: I do not think it has anything to do with this question, as to when we should meet. I think you have in your mind to say—

Mr. Baker: What does Osborne know about this particular action, or Dennis; they don't know anything about this.

Mr. Ellis: Do you object to it?

Mr. Baker: Absolutely.

MR. Ellis: You object to evidence being produced before the Committee that might be against you or for you.

Mr. Baker: I am against any supposition. This thing was settled in the House the other day.

Mr. Ellis: It was not settled in the House.

Mr. Baker: It did not have the purpose you are giving it. The people of Ontario or others I have met—

Mr. Ellis: You have met them all.

Mr. Baker: You ask us to come along and say there might be something in this. I am opposed to it.

MR. Ellis: You are opposed to it because the people of Ontario are entitled to know there may be something in it.

Mr. Baker: If there is anything in it let your leader take the responsibility.

Mr. Ellis: Certainly, I will. Will you stake your seat that there is nothing in it?

Mr. Baker: Will you stake your seat there is something in it?

Mr. Ellis: Yes; I will stake my seat if you will stake your seat that there is nothing in it. Will you do that? I am standing up like a man and asking you will you stake your seat that there is nothing in it.

MR. McBride: This is absolute wrangling, and it should be stopped. There is a motion before this meeting. Let us get on with the motion as the Attorney-General has suggested, so that we can get some action.

THE CHAIRMAN: The amendment before the Committee is that the words "On March 25th at 10 a.m." be deleted. All those in favour will please stand. Those opposed.

I declare the amendment carried.

MR. Ellis: What is your next suggestion Mr. Attorney-General?

HON. MR. ROEBUCK: I have another amendment to offer and I move that the word "to" be struck out, and it will read this way:

"and to give evidence as to whether or not there has been interference with the administration of The Liquor Control Act and this Committee continue to sit after prorogation of the House if this is necessary."

Now, my reason for moving this amendment is this: I don't propose to bind the witnesses who come here as to what kind of evidence they shall give when they are here; they may be asked any questions which tend to show interference or otherwise in any way that is proper and within the rules as it applies to our examination into these accounts. That is entirely wrong in a resolution and irregular. Witnesses may come here who know nothing as to whether

there has been interference or not with the Liquor Control Board. Nevertheless, my friend has a right to call them and to ask them what they know about this particular item in the Public Accounts. You are mixing once again the examination of the Public Accounts with an assertion that has an implication in it. Now, as a matter of fact, it is wrong procedure and it is not good counsel work on the part of a man who moves a resolution which is objectionable; and when the witnesses do come and they are asked with respect to this item, if the questions they are asked are in order they will be asked and then the Committee can draw any inference they wish about interference or irregularity as they see fit.

Mr. McBride: Is somebody coming here to give evidence?

HON. MR. ROEBUCK: With respect to these accounts.

MR. McBride: There should not be any objection to that.

Mr. Ellis: Mr. Attorney-General, perhaps you may agree with me on the suggestion I am going to make—

HON. MR. ROEBUCK: I am not going to agree with you at all before you state your agreement; I am not going to make any agreement of any kind.

Mr. Ellis: Before you hear what I have to say?

HON. Mr. ROEBUCK: Yes.

MR. Ellis: Are you choking off any investigation?

HON. MR. ROEBUCK: You and I have been counsel for a good many years in various matters and you know very well that a counsel does not agree with his opponent. You have all your rights but you are not going to add to your rights.

Mr. Ellis: You quite agree that opposing counsel often agree that certain evidence will be admitted in a case, so have I. My suggestion to you is this: That I will agree on striking out the latter part of the motion if you will designate a day when the Committee will sit.

HON. Mr. ROEBUCK: Go to the House if you wish for that.

THE CHAIRMAN: With sixty men on this Committee it is going to be an expensive thing, and it is not fair for the Committee to deal with an enquiry of that kind; it is more suitable for a Royal Commission.

Mr. Ellis: Will you undertake that there will be a Royal Commission?

Mr. McBride: I suggest that we have a committee and have all you lawyers together.

MR. Ellis: No; that would not do, altogether. I would like some commonsense men on the committee, including you, Mr. McBride.

THE CHAIRMAN: What is the amendment now?

HON. MR. ROEBUCK: The amendment, Mr. Chairman, is that all the words after the word "and"—I cannot give you the line in this case because it is in my own handwriting—be struck out; the words to be struck out being "and to give evidence as to whether or not there has been interference with the administration of the Liquor Control Board and this Committee continue to sit after prorogation of the House if it is necessary."

Mr. Ellis: Mr. Attorney-General, will you agree—

MR. CRAIG: "If it is necessary"; why did you put that in?

THE CHAIRMAN: Mr. Ellis read that in.

Mr. Ellis: Mr. Attorney-General, if an investigation should be held into the Liquor Control Board administration don't you agree; I have got evidence, evidence that I will tell you privately, and I think in view of the evidence I will tell you privately and confidentially you will agree there should be an investigation before some committee. Are you willing to hear what I will tell you confidentially, which I will, and then you will agree.

HON. MR. ROEBUCK: I am not making any agreements.

Mr. Ellis: I see.

THE CHAIRMAN: If I may make a suggestion—I don't know how it would appeal to you but in order to save expense why don't you—

Mr. Ellis: I can dispose of this matter in a day.

HON. Mr. ROEBUCK: Now, shall I read the motion as it will stand with the amendment?

That the Honourable Mr. Hepburn, J. J. Glass, E. G. Odette, Walter Osborne, Nina Osborne, B. Dennis and Arnold Smith be summoned to appear before the Public Accounts Committee and to give evidence relating to items on page 18 of the Public Accounts for the fiscal year ending March 31st, 1936, under the heading, Liquor Control Board, profits, fines, licenses, etc., \$8,010,000.

Mr. Ellis: Now, Mr. Attorney-General, to be summoned when and within what time?

HON. MR. ROEBUCK: To be determined by the Committee.

THE CHAIRMAN: All in favour of the motion? Against? (Carried.)

HON. MR. ROEBUCK: Now, as to the time when we shall meet, I realize that there is some difficulty in the matter, and I really do not know how to go at it, we have such a short time, and it is the desire of everybody that whatever we do we shall do quickly.

MR. Ellis: I will undertake to do it very quickly.

An Hon. Member: Might not we have a subcommittee of the Public Accounts Committee?

HON. MEMBERS: No, no.

HON. MR. ROEBUCK: There is no authority for that. Would you be satisfied to leave it to the Chairman to determine that?

MR. Ellis: Yes, if the Chairman will give me his assurance that the Committee will sit within any period of time which he is willing to state.

THE CHAIRMAN: As far as I am concerned, I would rather dispose of it on Saturday, I think.

MR. LANCASTER: I think the whole Committee would rather dispose of it and have it over with.

Mr. Ellis: And as a member of the Committee I would undertake that the evidence will be concluded on Saturday.

HON. Mr. ROEBUCK: That will be your case?

MR. Ellis: My case will take about the morning, and your case surely will not take more than the afternoon.

HON. MR. ROEBUCK: We are going to adjourn for Good Friday, and will the Members be going home?

MR. KIDD: The Prime Minister said on Saturday that if we didn't prorogue we would have to come back again Monday.

HON. MR. ROEBUCK: I am rather inclined to think that the way to do it is to leave it to the Chairman. We will all be in the House this afternoon, and we can all be told if we can get back here to-morrow. You can get your witnesses for to-morrow, can you?

MR. Ellis: Yes, every one of them. I will undertake that.

HON. MR. ROEBUCK: We have found the Chairman a very decent individual.

Mr. Ellis: Yes, he is.

HON. MR. ROEBUCK: We might leave it to the Chairman.

MR. Ellis: All right, I would leave it to him. What date will you fix, Mr. Chairman?

THE CHAIRMAN: It would have to be to suit the convenience of the Prime Minister.

Mr. Ellis: If not satisfactory for to-morrow, will you agree to call the Committee within two weeks?

THE CHAIRMAN: Oh, yes.

Mr. Ellis: The Chairman has agreed that he will call the Committee together to-morrow or within two weeks.

MR. NIXON (Temiskaming): There are a number of us who would like to be home on Friday, and, if so, it would be almost impossible for us to be back here on Saturday.

MR. ELLIS: If we leave it to the Chairman, he will consider all those angles of it.

THE CHAIRMAN: I would like to have an expression of opinion from the Members of the Committee as to when we could meet.

MR. CRAIG: That is a good suggestion. Leave it to the Chairman.

THE CHAIRMAN: Is there any suggestion as to when we could meet, if we cannot meet to-morrow?

MR. McBride: A week from to-morrow; if we cannot meet to-morrow morning, let us meet sometime the following week.

Mr. Ellis: I would agree to that, Mr. McBride.

THE CHAIRMAN: Because the Members from Port Arthur and Rainy River and distant points have to be considered.

Mr. McBride: We are all poor men and have a good deal to do, and have not much time; and if we cannot get through to-morrow I think it would be well to stand for two weeks.

Mr. Ellis: I would agree that if the Chairman finds we cannot meet to-morrow, that it should be adjourned for a week or ten days.

MR. NIXON (Temiskaming): That is provided we cannot meet to-morrow?

THE CHAIRMAN: Yes. It might be sixteen or seventeen days before we could meet; if you will give me a little leeway.

Mr. Ellis: And the Chairman will agree that the Committee should meet within a month?

THE CHAIRMAN: Yes.

MR. Ellis: I am willing to take your word for it.

Now, we might proceed with the other motion which is before the Committee, and I call Dr. McGhie.

THE CHAIRMAN: Mr. Ellis, you have the Resolution?

Mr. Ellis: Yes.

That Dr. B. T. McGhie, Deputy Minister of the Department of Health, be summoned to appear before the Public Accounts Committee, at the next Session thereof, to give evidence with reference to certain items at the following pages of the Public Accounts for the year ending March 31st, 1936:—

- (1) E-28, Ontario Hospital, Brockville, repairs to buildings, \$3,707.96.
- (2) E-30, Ontario Hospital, Cobourg, repairs to buildings, \$599.90.
- (3) E-34, Ontario Hospital, Hamilton, repairs to buildings, \$5,459.40.
- (4) E-37, Ontario Hospital, Kingston, repairs to buildings, \$3,766.08.
- (5) E-41, Ontario Hospital, London, repairs to buildings, \$3,045.68.
- (6) E-44, Ontario Hospital, New Toronto, repairs to buildings, \$1,566.91.
- (7) E-48, Ontario Hospital, Orillia, repairs to buildings, \$3,205.68.
- (8) E-51, Ontario Hospital, Penetanguishene, repairs to buildings, \$3,146.99.
- (9) E-54, Ontario Hospital, Toronto, repairs to buildings, \$1,935.97.
- (10) E-58, Ontario Hospital, Whitby, repairs to buildings, \$4,309.91.
- (11) E-61, Ontario Hospital, Woodstock, repairs to buildings, \$3,097.84.

THE CHAIRMAN: What is your name?

Dr. Bernard Thomas McGhie, sworn.

THE CHAIRMAN: The Attorney-General is out for a few moments. Will you just sit down.

Are you ready, Mr. Ellis?

MR. Ellis: Yes.

By Mr. Ellis: Q. Doctor, you are the Deputy Minister of the Department of Health?

- A. That is correct, yes.
- Q. How long have you held that position?

- A. About a year. I was Deputy Minister of Hospitals prior to that, since 1934.
- Q. I am going to refer you to an item in the Public Accounts for the year ending March 31st, 1936, appearing on page E-28, under the heading, Ontario Hospital, Brockville, repairs to buildings, \$3,707.96. Have you the item before you?
  - A. I have.
- Q. Now, will you tell me whether or not the building should have been repaired, or whether additions should have been made to the building?
  - A. You are speaking of the Ontario Hospital at Brockville?
  - Q. Yes.
- A. Well, under this Vote, this was entirely for repairs, and not for construction, new construction.
  - Q. I will have the reporter repeat my question.

HON. MR. ROEBUCK: I object to that. That is for the Department heads or the Government to say that.

MR. Ellis: Do you want me to have Dr. Faulkner here?

HON. MR. ROEBUCK: I do not care who you bring here.

MR. ELLIS: Will you agree that Dr. Faulkner would be able to answer that question, if he were here?

HON. Mr. ROEBUCK: I am not agreeing to anything. It is not a proper question to ask this witness whether a certain thing was a proper policy or not.

MR. ELLIS: I am not asking him that, but whether repairs should have been made to the building, or an addition made to it.

THE CHAIRMAN: I have made rulings that it was not a proper question to ask an officer of the Department whether something was a proper policy or not. You may summons the Minister of Health, if you like.

MR. ELLIS: I will ask you that you now immediately summons the Minister of Health to appear before the Committee immediately; and I suggest that you send out to see whether he can come or not; and I will stop my examination of Dr. McGhie.

THE CHAIRMAN: It is not within my province—

HON. MR. ROEBUCK: I do not see why people should be dragged in here by the seat of the pants; you may ask him to appear.

THE CHAIRMAN: If you had passed a Resolution to call upon Dr. Faulkner to appear here, he could have prepared himself; but it is cruel to a witness, if he has not had an opportunity to refresh his mind on matters, to call him in this way.

MR. ELLIS: I am going to agree to something. In the first place, he ought to know the items about his own Department; but if he is caught unawares, and says so before the Public Accounts Committee, I will agree not to hear his evidence, and I will postpone the hearing of his evidence until some date agreed upon.

HON. MR. ROEBUCK: Have you sent an invitation to the doctor to come here?

Mr. Ellis: Yes.

HON. MR. ROEBUCK: Then no doubt he will be here.

THE CHAIRMAN: I thought it was only fair that the doctor should be given time to prepare himself to give evidence.

MR. Ellis: Is there inadequate accommodation in any of the Ontario Hospitals, Dr. McGhie?

HON. MR. ROEBUCK: Of course I object to that.

Mr. Ellis: I knew you would.

THE CHAIRMAN: That question does not come within the Resolution, which is as to the expenditures of public moneys, here.

MR. Ellis: But don't you get my point,—I know you do, Mr. Chairman, and the Attorney-General does too.

Q. There were certain repairs made to the Ontario Hospital at Brockville. All I am asking this witness is whether or not those repairs should have been made, whether it was an improper expenditure of money,—was it, doctor?

HON. MR. ROEBUCK: Now, now. The witness cannot answer that.

Mr. Ellis: He should be able to.

THE CHAIRMAN: Ask him what it was spent for.

HON. MR. ROEBUCK: You can ask him what repairs they were, whether it was for shingles or flagstones.

MR. Ellis: Q. Did you call for tenders for the repairs, doctor?

A. These repairs are carried on by our own staff under this item on the hospital.

Q. Do you think,—were they proper expenditures or not, doctor?

Hon. Mr. Roebuck: I object.

THE CHAIRMAN: For the information of the Committee, the witness has said that these repairs are made by members of the staffs of the institutions. I presume from that that it logically follows that this money represents materials that were purchased?

A. That is true, Mr. Chairman.

Mr. Ellis: Q. Then it was for materials, and were tenders called for?

A. There are a number of items here; I cannot answer with respect to every one of these items.

- Q. Were tenders called for in any case?
- A. I have not the tenders before me.
- Q. Do you know whether tenders were called for in regard to any portion of the expenditure on the Brockville Hospital, amounting to \$3,707.96?
  - A. These smaller items, there were no tenders called for.
- Q. Follow my question, doctor; I asked whether any part of the expenditures, amounting to \$3,707.96, on the Brockville Hospital, were let to the lowest bidder on tender?
- A. I do not do the purchasing. I cannot answer that question. I can state whether the material was required or not for the particular job, and approved of the requisition; but I do not do the buying. We have a Commissioner for that.

THE CHAIRMAN: Is it not clear that the repairs were done by their own people?

Mr. Ellis: Now, Dr. Faulkner.

Dr. McGhie stood aside.

HON. MR. ROEBUCK: Just before Dr. Faulkner goes in, may I explain it to him?

One of the officials of your Department was subpoenaed to appear this morning before the Public Accounts Committee to give evidence on the Public Accounts, and he has been asked some questions as to his opinions as to the matter, which were objected to, and ruled out. Whereupon a notice was sent to you, which was nothing more than an invitation for you to appear.

It has been objected that you may not have had any opportunity in advance to acquaint yourself of the particulars of the matters with respect to which you will be asked. There is no obligation on you to be examined on any of these matters except under subpoena.

MR. Ellis: You might explain what the item is.

HON. MR. ROEBUCK: Mr. Ellis will explain what the item is.

Mr. Ellis: Dr. Faulkner, the matters to which I have referred in my motion are repairs to the buildings of all the public hospitals. They are items from the accounts of 1936. If you are not familiar with them and would like an opportunity to look them up, I am perfectly agreeable, as I do not want to take any witness at any disadvantage. If you would like to leave it over to a date to be fixed—

HON. DR. FAULKNER: I admit that I am not familiar with them, but I would be pleased to supply you with an itemized account of every bit of the work that has been done.

MR. Ellis: I do not want it itemized. Perhaps you may need that for your information. When can you have that ready? You will only have to take it from the Public Accounts.

HON. Dr. FAULKNER: I think to-morrow morning I could be ready.

Mr. Ellis: Then I suggest that we leave this until to-morrow morning. Would ten or ten thirty to-morrow morning suit you, doctor?

Hon. Dr. Faulkner: Ten o'clock would be suitable.

Mr. Ellis: Then I move that we adjourn.

Whereupon the Committee adjourned at 12.30 p.m. until 10.00 o'clock a.m. Thursday, March 25th, 1937.

## EIGHTH SITTING

Parliament Buildings, Toronto, March 25th, 1937, at 10.00 a.m.

HON. MR. ROEBUCK: Order, gentlemen, for a moment. I understand that the Chairman of the Committee will not be here for some little time, and I move that Mr. Colter take the chair in the interval, as Chairman pro tem.

Mr. Bragg: I second the motion.

HON. MR. ROEBUCK: All in favour. (Carried.)

Mr. Colter takes the Chair.

THE CHAIRMAN: Gentlemen, if you will come to order the Secretary will call the Roll.

The Secretary called the Roll of Members.

MR. ELLIS: I will call Dr. Faulkner.

MR. COLTER: Dr. Faulkner.

The Hon. J. A. Faulkner, M.D., C.M., sworn. Examined by Mr. Ellis:

Q. Dr. Faulkner, there is not anything in your Department that you do not want to answer any questions about; is there?

HON. MR. ROEBUCK: I object to any such question as that. When questions are put the Chairman first, and then the Committee will rule on their admissibility, and if they are admissible it does not make any difference whether a witness likes to answer or not; he will have to answer.

Mr. Ellis: I asked the witness a very simple question.

HON. MR. ROEBUCK: I submit it is an improper question.

Mr. Ellis: I don't agree with you. I asked the witness if he had anything to hide.

Hon. Mr. Roebuck: Mr. Ellis wants to know if there is a skeleton in your closet, doctor.

MR. ELLIS: Certainly I want to know if there is a skeleton in the closet.

- Q. Is there anything that you want to hide, doctor?
- A. There is nothing that I want to hide, so far as I know.
- Q. I knew that you would give that answer. In certain of the Ontario hospitals certain repairs were done in 1936.

THE CHAIRMAN: In 1936?

Mr. Ellis: In 1936; yes.

WITNESS: We have repairs going on all the time.

Mr. Ellis: In all of your hospitals?

- A. In all the hospitals.
- Q. Now, should there have been repairs or additions to your hospitals?
- A. We have been overcrowded for a good while.
- Q. I know. Overcrowded in which hospital?

- A. Practically all of them except Woodstock and Whitby, I think.
- Q. In other words you did not have enough accommodation in practically all of your hospitals?
  - A. Yes.
  - Q. You should have had additions to your hospitals, should you not?
  - A. Yes.
  - O. Pardon?
  - A. Yes.
  - Q. In practically every case?
  - A. I would say there was a general lacking of accommodation.
  - Q. A general lack of accommodation?
  - A. Yes.
  - Q. In all your hospitals?
  - A. I would say so; yes.
  - Q. Why did you not put additions on your hospitals?
  - A. Well, we have made some increases to accommodation in each year.
  - Q. Have you made enough?
- A. No; we have not. It will take years before we will have enough accommodation.
- Q. How many years will it take you before you have sufficient accommodation?
- A. I am taking the result of Dr. Hamilton's investigation; he figures it will be about a seven-year programme.
  - Q. Where does Dr. Hamilton live?
  - A. New York.
  - Q. In New York. Why did you not take a Canadian doctor?
- A. Well, Dr. Hamilton is one of the most representative men in this line that we picked out, and he belongs to a committee of psychiatrists who specialize in this particular line of business.

- Q. Was there nobody in Canada whom you could have taken?
- A. Well, there is a reciprocal understanding in the Psychiatry Society of which my Deputy Minister is a member, and I thought that an uninterested or an unbiased man, so far as local conditions were concerned, would give a fair and unbiased opinion.
  - Q. And there was not anybody in Canada whom you could take?
  - A. I would not say that.
  - Q. If there was, why did you not take somebody in Canada?
- A. Well, we thought that Dr. Hamilton would be the best man, and we got his services for nothing except his expenses.

HON. Mr. ROEBUCK: That has not a very great deal to do with this matter under enquiry.

MR. Ellis: I think perhaps we could leave the doctor alone and everything would be all right.

HON. MR. ROEBUCK: I was thinking that about you.

Mr. Ellis: What you think about me does not matter.

- Q. Doctor, you will agree that in practically every case in every hospital you have there is a lack of accommodation?
  - A. Ves.
  - Q. And there has been for a fair number of years?
  - A. Yes.

HON. MR. ROEBUCK: Q. About how many years, doctor?

A. We have increased our accommodation; the accommodation has been increased at each one of the various institutions for a number of years. I have a list here of the additional bed accommodation from year to year since 1918.

MR. ELLIS: Q. For every hospital?

A. Yes.

HON. MR. ROEBUCK: Q. Has there been overcrowding since 1918?

- A. Increased.
- Q. How long has the overcrowding condition been in existence?
- A. I cannot tell you when the overcrowding started. I believe we had

some people desiring to get into these institutions, more than we were able to accommodate.

HON. Mr. ROEBUCK: We always will.

MR. ELLIS: Not always will.

HON. MR. ROEBUCK: That is what you said.

MR. Ellis: That is what you said.

WITNESS: I am informed by the statistics that if we try to accommodate all the mental patients in this province we would have to have accommodation for between sixty and seventy thousand children.

Mr. Ellis: Q. How many have you got?

A. 1963.

Q. What is the condition at Orillia at the present time?

A. I don't know how many; it is overcrowded. I am sure I cannot tell you that.

Q. You know the accommodation?

A. I cannot tell you what the building was originally built for—the exact number of patients.

Q. But you are the Minister?

A. I am supposed to be.

Q. Well, what is the accommodation of the Orillia Hospital at the present time?

A. My Deputy might be able to tell you that.

Q. Well, get him over here.

A. Dr. McGhie, what is the bed accommodation at Orillia?

Dr. McGHIE: 1,600.

THE WITNESS: 1,600.

MR. Ellis: Q. That is the present accommodation of the Orillia Hospital?

A. Yes.

Q. What is the waiting list for the Orillia Hospital?

- A. Over a thousand.
- Q. There is a waiting list at the Orillia Hospital of one thousand people?
- A. Yes.
- Q. And you have no place to put them?
- A. No.
- Q. What do you think of that situation, Doctor?
- A. That is a situation that should be remedied.
- Q. Immediately?
- A. Yes, immediately.
- Q. Are you not a bit shocked to find out that that is the situation?
- A. The situation is very much the same—I am shocked; that is the answer to your question.
  - Q. I agree with you.
  - A. I have been shocked for some time.
- Q. I hope you will remedy it. Can you give me a list of the other hospitals, please. (Dr. McGhie produces list.)
- Mr. Ellis: Q. What about the Woodstock Hospital; what is the accommodation there?
- A. I do not think that the Woodstock Hospital is so crowded. What is the accommodation there, Dr. McGhie?
  - DR. McGhie: It is on that list there. It is overcrowded by one hundred.

WITNESS: Overcrowded by one hundred at the Woodstock Institution?

Mr. Ellis: Q. In other words you lack accommodation for 100 patients?

- A. Yes.
- Q. What are the patients doing now, and where are they? Just answer the question generally.
  - A. I expect they are in their homes.
  - Q. Should they be in their homes, in your opinion?

- A. I think a good many of the patients sent to the hospitals could be taken care of at their homes.
- Q. I know. There are one hundred people who should be in the Woodstock Hospital?
  - A. They have applied and been recommended by doctors.
  - Q. Then they should be in the hospital, should they not?
  - A. Yes.
  - Q. Yes. Then there is something wrong.
  - A. Yes.
- Q. All right. Then we will take the Whitby Hospital; what is the present accommodation?
  - A. What is the accommodation there, Dr. McGhie?
  - Dr. McGhie: About 100 overcrowded in the hospital.

WITNESS: About 100 overcrowded.

Mr. Ellis: Q. In other words there are 100 people who should be in the Woodstock Hospital?

A. Whitby.

Dr. McGhie: There is 100 overcrowded.

WITNESS: There is an overcrowding of 100 at Whitby. That is the one you are asking about.

MR. Ellis: Q. Do you mean that there are 100 people who should not be there, that there is no accommodation for?

- A. We are taking care of them the best we can.
- Q. I did not ask you that. Do you mean to tell me that there are 100 people in that hospital for whom there is no room?
  - A. Yes.
  - Q. And they are in the hospital?
  - A. Yes.
  - Q. And they should not be there?
  - A. We are taking care of them.

- Q. There are 100 people in that hospital who should not be there because there is no room for them?
  - A. One cannot turn them away.
  - Q. Still coming back to my original question; you heard it, did you not?
  - A. Yes.
  - Q. Now give your answer.
- A. Literally speaking there is no room for them and they should not be there.
- Q. There are 100 people in that hospital for whom there is no room, and they are still in the hospital?
  - A. Yes.
  - Q. And there is no room for them?
  - A. Yes.

HON. MR. ROEBUCK: Q. Doctor, would it be better to take care of them in the way you are doing or to throw them out?

- A. Absolutely.
- O. It would be better?
- A. To take them in and to do the best we can.

MR. Ellis: And the best is not so good?

HON. MR. ROEBUCK: Q. In that sense they should be there—

MR. ELLIS: The Doctor does not think so.

WITNESS: I do not like to quibble over these things.

HON. MR. ROEBUCK: That is all we are doing—quibbling with words.

Mr. Ellis: We are not doing any quibbling; you are doing the quibbling.

HON. MR. ROEBUCK: All right, Doctor.

Mr. Ellis: Leave the Doctor alone. He is honest and fair.

HON. MR. CROLL: You leave him alone, too.

Mr. Ellis: Q. Give your own answer, Doctor.

THE CHAIRMAN: The Doctor says that there is overcrowding and that there are 100 people more in the hospital than can properly be taken care of.

WITNESS: I would not say properly taken care of.

Mr. Ellis: I suggest that the Doctor be allowed to answer by himself.

HON. MR. ROEBUCK: Q. They have been properly taken care of, Doctor?

A. I am satisfied that they are.

MR. ELLIS: Q. All right, Doctor, then your opinion is that there are 100 people in that hospital who should not be there?

- A. Yes; through lack of proper accommodation.
- Q. Then, in your honest opinion, if you had an addition to the hospital you would not have them where they are now?
- A. My honest opinion is they could be better taken care of in the hospitals than the places from where they came. It is the case of choosing the lesser of—
  - Q. The evils?
  - A. Yes.
- Q. I said the words myself. But, as Minister of your Department, do you think they should be where they are now in the overcrowded conditions that exist in that hospital?
  - A. Preferably there than the homes from which they came.
- Q. I quite agree with you. Mr. Reporter will you kindly read back my last question?

(Reporter read: "Q. But, as Minister of your Department, do you think they should be where they are now in the overcrowded conditions that exist in that hospital?")

WITNESS: Yes; I do.

- Q. Do you think there should be an addition to that hospital?
- A. I think there should be new construction. I won't say at which hospital, but wherever it is decided to make them.
  - Q. All right, will you tell me what hospital should not have an addition?

HON. MR. ROEBUCK: No; I am not passing that without objection. Of course, I have said nothing because the Doctor can answer very nicely the questions you have been putting.

MR. ELLIS: Why don't you let him, then?

HON. MR. ROEBUCK: They are quite irrelevant to the matters into which we are enquiring, but when you come to ask the intention of the Department with respect to further work and what hospitals they intend to improve—

MR. ELLIS: I did not ask that question.

HON. MR. ROEBUCK: All right, if you did not it is quite satisfactory.

MR. Ellis: Mr. Reporter, will you read back my question.

(Reporter read: "Q. Do you think there should be an addition to that hospital?")

WITNESS: My answer to that is that consideration should be given to a great many points before additions are made to any particular hospital.

Mr. Ellis: I agree with you but that does not answer the question.

A. The only way I can answer that is generally. You have to consider what the architects think of the possibility of the steam plant and the power plant to run that institution.

- Q. Do you think that there should be an addition to the Whitby Hospital?
- A. Yes, yes.
- Q. Certainly. Now the next question is-

HON. Mr. ROEBUCK: I am not going to have this thing going on forever like this. That has nothing whatever to do with the particular item we are enquiring into. The Doctor, no doubt, will consider additions to this hospital in due season with the advice of his staff. It is a matter of Government policy.

MR. ELLIS: It is no such thing.

HON. MR. ROEBUCK: Of course it is a matter of Government policy.

MR. ELLIS: It is a matter of necessity.

HON. Mr. ROEBUCK: The witness has told you now as to the conditions at Whitby, and what is going to be done and should be done is a matter for the Cabinet to consider.

Mr. Ellis: No such thing.

HON. MR. ROEBUCK: We are here to examine certain items in the Public Accounts: E-28, Ontario Hospital, repairs to buildings, \$3,707.96. I suppose you intend to take these up.

MR. ELLIS: Certainly.

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HON. MR. ROEBUCK: We would be very glad to have questions in regard to this item.

Mr. Ellis: You object to me trying to ascertain the lack of accommodation which the Minister of Health says exists; you object to me asking any questions on that.

HON. MR. ROEBUCK: You have already got that. I think it is irrelevant. to our enquiry this morning. You are not going to get a long story of what the Government's policy is with regard to the conditions at the various hospitals under an item of repairs done in 1936. Stick to your knitting.

MR. Ellis: I am, and I will. Do you object to me asking the Doctor any questions about the lack of accommodation which exist in every hospital in Ontario?

HON. MR. ROEBUCK: Yes; I do. Put it on the order paper.

Mr. Ellis: If I put it on the order paper will you vote for it?

HON. MR. ROEBUCK: We will answer every question you put on the order paper.

MR. Ellis: I didn't ask you that question. If I put on the order paper for an investigation into the hospitals of Ontario, will you vote for it?

HON. MR. ROEBUCK: Mr. Ellis, I am not going to make any agreements with you. I told you that at the last sitting of the Committee. I will exercise my judgment in each individual case as it arises.

MR. Ellis: All right, it arises right now. I will put a resolution on the order paper.

HON. MR. ROEBUCK: Go ahead.

MR. ELLIS: That there should be a complete investigation into all the hospital accommodation in Ontario? Will you vote for it?

HON. MR. ROEBUCK: There has been such, and it has just been published, and you have read it.

Mr. Ellis: Will you vote for my resolution?

HON. MR. ROEBUCK: I am not giving you any indication as to how I vote. What has that to do with the items of repairs? This may be very amusing to you, but you are wasting the time of this Committee.

MR. ELLIS: In view of the situation that exists, don't you think I am entitled to use up a certain amount of time?

HON. MR. ROEBUCK: You have used up a lot already. We have done a lot of sitting to hear you orate. There has to be some limit.

Mr. Ellis: I thought, in view of the speeches you made in 1935, there was no limit.

HON. Mr. ROEBUCK: The sky is always the limit.

MR. ELLIS: I am glad you know that now; I didn't think you did.

HON. MR. HENRY: It is different for the Opposition.

HON. Mr. ROEBUCK: I thought you were in the clouds sometimes. But let us cut this out and let the Committee get down to business.

MR. Ellis: What is it you want cut out?

HON. MR. ROEBUCK: To stop your fooling.

MR. Ellis: You said to cut something out; what do you want to cut out?

HON. MR. ROEBUCK: What is your next question?

Mr. Ellis: I want you to answer my question.

HON. MR. ROEBUCK: I am not in the witness box; you know that, Mr. Ellis.

MR. ELLIS: All right.

Q. Well now, Doctor, we are going to take the Ontario Hospital in Toronto, and I want to ask you a very simple question, and I think you will answer it: Should there have been repairs done to that building, or addition?

HON. MR. ROEBUCK: I object to that.

O. Those repairs were made to that hospital; were they, Doctor?

THE CHAIRMAN: The repairs to the building?

WITNESS: Yes.

HON. MR. ROEBUCK: Q. Should those repairs have been made?

A. Yes.

Mr. Ellis: Mr. Chairman, am I examining the Minister of Health-

HON. MR. ROEBUCK: I don't think you are; I think you are on a joy ride.

Mr. Ellis: I am not.

HON. MR. ROEBUCK: It sounds like it.

THE CHAIRMAN: As I understand it you have asked a question and you have called the Doctor here to give evidence with reference to the repairs at the

Ontario Hospital at Toronto, amounting to \$1,935,97. We want to give you every latitude, of course.

MR. Ellis: Who controls the Committee?

HON. MR. ROEBUCK: The Chairman.

Mr. Ellis: Q. Now, Doctor, should there have been repairs to the Ontario Hospital at Toronto, or additions?

HON. Mr. ROEBUCK: Wait a minute, now. You have a double-barrelled question there.

Mr. Ellis: Certainly I have.

HON. Mr. ROEBUCK: What the question involves is: Would it have been necessary to make the repairs.

WITNESS: They were in our opinion.

Q. In any event?

A. Yes.

Q. Addition or no addition?

A. Yes.

Q. Then the question of addition is surely irrelevant.

Mr. Ellis: Q. Doctor, you are the Minister of your Department?

A. Yes.

Q. And repairs have been done to the Ontario Hospital at Toronto, or should there have been additions?

HON. MR. ROEBUCK: I object to that question, because it is a double-barrelled question.

MR. Ellis: Certainly it is.

HON. MR. ROEBUCK: And you are not permitted to put a double-barrelled question, and you know it, as a good lawyer.

MR. Ellis: May I put one question?

HON. Mr. ROEBUCK: Yes; go ahead.

Mr. Ellis: Will you agree.

HON. MR. ROEBUCK: I will tell you after I hear your question.

Mr. Ellis: Q. Should there have been additions to the Ontario Hospital at Toronto?

- A. 999?
- Q. Pardon?
- A. The Institution here in the city?

HON. Mr. ROEBUCK: I object to the question; it has nothing to do with these items.

Mr. Ellis: If the Minister is willing to give an answer will you permit him to give an answer?

HON, MR. ROEBUCK: If he wanted to very much, I don't care.

Mr. Ellis: Then he wants to. Go ahead Doctor; give your own answer Doctor.

WITNESS: In my humble opinion Queen Street is as large as it should be built. The locality at the present time is not a desirable locality for mental patients; it is a highly industrial centre, and it is not good for the City of Toronto and it is not good for the patients. It has outgrown its usefulness.

MR. ELLIS: O. Should there be additions to it?

- A. I would not say there should be.
- O. You think there should be another institution?

HON. MR. ROEBUCK: I object to that.

Mr. Ellis: To accommodate the lack of accommodation in the Toronto Hospital.

HON. MR. ROEBUCK: That has nothing to do with what we are here for, and while we have allowed a great deal of latitude I do not see why we should go on with this rambling business which is outside the scope of the Committee, and which does not involve the resolution.

MR. Ellis: Now the Minister is willing to answer, and you are going to prevent him.

HON. MR. ROEBUCK: I might do that.

Mr. Duckworth: I would like to ask the Minister a question if I may.

Q. Doctor, when you took office there was a lot of repairs going on at the Queen Street Institution?

A. Yes.

Q. Yes; that's right.

Mr. Ellis: Q. What, I-

WITNESS: I think there was a vote which went through after your Government went out of office; there was a vote for \$184,000 that was not even put in the estimates.

MR. Ellis: Q. What was that for?

A. Repairs.

Q. To what building?

A. All over the Province.

Q. You think there should not be a hospital in Toronto at all; don't you?

HON. MR. ROEBUCK: It is just ridiculous to use the Public Accounts Committee for a nice little quiet afternoon's tea—a discussion of this kind.

Mr. Ellis: If the Doctor is willing to answer—

THE CHAIRMAN: I do not think that is the question. I think you could get on with what you have under the circumstances.

HON. MR. ROEBUCK: Let us get on with the business of the Committee.

THE CHAIRMAN: I do not think it matters whether or not he is willing to answer. The question you are putting is irrelevant to this enquiry. The Doctor has answered that question and I do not think you should proceed any further with it.

MR. ELLIS: Why not?

HON. MR. ROEBUCK: How can you question the ruling of the Chairman. The Chairman is not under any obligation to tell you the reasons for his ruling.

Mr. Ellis: The Chairman is not under any obligation to me, but that does not mean he has to do what you tell him to do.

HON. MR. ROEBUCK: Your remedy is to appeal from his ruling.

MR. Ellis: That is a very good remedy, is it not, Mr. Attorney-General?

HON. MR. ROEBUCK: Not from a ruling of this kind.

Mr. Ellis: Do you think I have any hope?

HON. MR. ROEBUCK: You know that you would not be assisted by any fair-minded members.

Mr. Ellis: Are you a fair-minded person?

MR. McBride: Is this an enquiry into the Public Accounts or is it a mental examination?

HON. MR. ROEBUCK: It is an intelligence test.

THE CHAIRMAN: Order, please. Let us get on with the business.

MR. ELLIS: Q. You think there should not be any mental hospital at all in Toronto—

HON. MR. ROEBUCK: Do not answer that?

Mr. Ellis: Let the Doctor answer that by himself. I am not asking you any questions Mr. Attorney-General.

THE CHAIRMAN: Mr. Reporter will you read the last answer given by the witness to the question about the Toronto Hospital.

(Reporter read: "A. In my humble opinion Queen Street is as large as it should be built. The locality at the present time is not a desirable locality for mental patients; it is a highly industrial centre, and it is not good for the City of Toronto and it is not good for the patients. It has outgrown its usefulness.")

MR. Ellis: Q. Then the Toronto Hospital is badly located?

A. At the present time you have more desirable locations.

Q. Is the accommodation adequate?

THE CHAIRMAN: The witness has answered that question.

HON. MR. ROEBUCK: The witness has said that three times at least.

WITNESS: It is about two hundred overcrowded.

MR. Ellis: Q. Then, we will take the Hospital at Cobourg; what have you to say about that?

HON. MR. ROEBUCK: The witness has nothing to say about that; it is not a proper question.

MR. ELLIS: He may have, and you should not stop him.

WITNESS: Cobourg is overcrowded one hundred.

Mr. Ellis: Mr. Attorney-General you should have let the witness answer himself. The hospital is one hundred overcrowded.

Q. Take the hospital in Hamilton, what have you to say about that?

- A. About 400.
- Q. Overcrowded?
- A. According to the Hamilton report.
- Q. What have you to say about the hospital at Brockville?
- A. About 100.
- Q. Overcrowded?
- A. Yes.
- Q. And the hospital at Kingston?
- A. About the same—about 100.
- Q. And the hospital in London?
- A. 400.
- Q. 400 overcrowded. And the hospital in New Toronto?
- A. About the same.
- Q. 400 overcrowded—the hospital at New Toronto?
- A. Yes.
- Q. It is overcrowded?
- A. 400.

Mr. Duckworth: Q. What was the reason you stopped the improvements at New Toronto—it was called the Mimico Hospital at that time; there were quite a lot of improvements and additions put on and it was stopped immediately after you took office, and there has been no work carried on since?

- A. We were quite aware of the fact that we had overcrowding in the institutions and there was a big programme to start, but we had to look into the financial situation of the Province, and we had to do the best we could to get the thing straightened out.
  - Q. That was the reason you stopped?
  - A. Yes.
  - Mr. Ellis: Q. Now, Doctor, what about the hospital at Penetanguishene—
  - MR. CRAIG: Doctor, you admit that you were considering the finances of

this Province more than the lives and the health of the people; I am saying your Government, I don't blame you.

- A. We must all admit that not only the mental hospitals and the general hospitals have not the custom of turning patients away.
- Q. Very true, but you admit that if it were not for the finances of this Province you would have more adequate room for the patients.

HON. MR. ROEBUCK: Surely we have had a lot of opinions-

Mr. Ellis: Won't you let the Doctor answer?

THE WITNESS: I feel that the Government is in the same position as any municipality participating on a construction programme.

Mr. Duckworth: Q. You don't think that any municipality would let anybody die for the want of care?

- A. I would like to make a statement here; within the last two months we have had a reeve of a municipality refuse to sign a paper to have a man admitted to a sanatarium.
- Q. I know to whom you are referring and I know what that was for, but that is a different story.

HON. MR. ROEBUCK: Q. Has anybody died as a result of lack of care?

Mr. Ellis: Mr. Chairman, may I continue to examine the witness, and not the Attorney-General.

THE CHAIRMAN: The Members have a right to ask questions, and I would say that is a right question.

Mr. Duckworth: Q. Nevertheless that is a fact. I am not blaming you, but that is a fact?

HON. MR. ROEBUCK: What is a fact?

Mr. Duckworth: The fact is that for the want of money people have been neglected by this Province.

HON. MR. ROEBUCK: No.

WITNESS: Any patient who has been admitted to the hospital has certainly not been neglected.

MR. CRAIG: Q. But how many hundreds have you figured up here that have not been admitted have died?

A. I do not know that any have died because of that.

- MR. CRAIG: But that is what hospitals were built for, to keep them well?
- A. Yes; and a great many people go to jail.
- MR. NESBITT: How many applications for admissions have you had that you have not been able to take care of, within the last year?
  - A. We have not got that here.
  - Q. Approximately how many?
- A. I want to give you exactly as much as I can. There are about eighty on the waiting list, from time to time, and as there is room for them they are taken in, and those that can be discharged are sent home.
- Mr. Duckworth: May I ask the honourable gentleman one question? Now, Doctor, it has been admitted that there is not accommodation for the mental patients of Ontario. That is admitted?
  - A. There is not room for all of them.
- Q. Now, instead of this large amount of repairs which you have this year, if you had gone ahead and built proper accommodation, there would not have been that lack?

THE CHAIRMAN: That is not a proper question.

- MR. MACBRIDE: When you went into office, Doctor, did you or did you not find a large waiting list for which there was no accommodation?
- A. For the last thirty years I can say definitely I have never had a mental case admitted immediately upon application.
- Mr. MacBride: I remember as far back as 1920, when this Queen Street hospital was condemned and the Whitby Hospital built to take its place.

WITNESS: Yes.

MR. FLLIS: Perhaps we can agree, Mr. MacBride, that there has been for a great many years a lack of accommodation.

MR. MACBRIDE: In 1923 I went into the Department, under the late Dr. Godfrey, and I found thousands in this Province for which there was no accommodation, and I also went into the records and found that the Queen Street hospital was condemned before the war broke out.

MR. Ellis: Then you will agree with me that there is and has been for a great many years a lack of accommodation?

Mr. MacBride: I think for 25 years, and I think, if the Committee keeps this up for about three days, it will be still further overcrowded.

Mr. Ellis: Then, Mr. MacBride, there won't be room for them.

MR. DUCKWORTH: Q. Doctor, will you answer a question for me? Knowing that you have these waiting lists for admission to these institutions, have you instituted in your Department a programme to take care of them?

WITNESS: I do not know anybody who is more anxious to get patients in than the Member for North York.

MR. Ellis: I can understand that.

WITNESS: And he, like the others, has had to have them go on the waiting list.

Mr. Welsh: Q. Doctor, probably with the assistance of your Deputy, could you give me the amounts spent by your Department for maintenance in 1933? I spoke to Dr. McGhie about it, and he can probably assist you?

HON. MR. ROEBUCK: That has nothing to do with this inquiry. It has nothing to do at all with the question of these repairs. I object to the question on the ground that it is irrelevant.

MR. ELLIS: I think, Doctor, I will ask you about one more question. It is going to be a general one, and I know you are going to answer it. There is to-day and there has been for a long time a great lack of accommodation for patients in all the Ontario hospitals?

- A. I would say, yes, generally speaking.
- Q. A great lack of accommodation?
- A. Yes.
- Q. And, if you had had your own way, you would have rectified the situation long ago, wouldn't you?
  - A. I would do my best.
- Q. I did no ask you that question. I said, if you had had your own way and the Government had allowed you the money that you needed,—

THE CHAIRMAN: I do not think that is a fair question.

HON. MR. ROEBUCK: No, he knows it is not.

MR. Acres: It is all a matter of dollars and cents, and of the difficulty of raising money, as you know, Mr. Ellis, in your own experience. We would like to build additions to our own houses, but where is the money to come from?

MR. ELLIS: We do not look for any accommodation in Ottawa at all.

MR. MACBRIDE: But there are not many places in the same shape.

Mr. Ellis: They have had a splendid Mayor in your municipality.

MR. MACBRIDE: Oh, they call me back when they get into trouble.

MR. Ellis: Q. If the Government had given you the money that you needed, you would have put on additions to any hospital in Ontario?

HON. MR. ROEBUCK: He possibly might like to see a hospital on every street corner, but that is not the question here. I object to the question.

THE CHAIRMAN: The objection is sustained. I rule that the question is not a proper question.

MR. Ellis: All right, will you tell me why that is not a proper question?

HON. MR. ROEBUCK: You know that that is not a proper question to put to the Chairman. If you wish to appeal from his ruling, do so.

MR. Ellis: You have no right to object. The Chairman can answer my question if he likes.

HON. Mr. ROEBUCK: I object. Go back to the Law School and learn something about evidence and the conduct of judicial bodies.

MR. Ellis: Certainly, and then you will know something about the law of Equity, which means what?

Mr. Baker: Mr. Chairman, if Mr. Ellis hasn't anything more to say, I move that we adjourn.

MR. Ellis: No, I have something more to say.

MR. MACBRIDE: It may be that the Minister can answer questions better than you can ask them.

- Q. In the seven years previous to the change of Government, aside from the Whitby institution and the extensions at Orillia, were any additions made to the hospitals of Ontario to take care of these people who were on their way west—were there any additional rooms provided in the previous five, six or seven years?
  - A. That would be previous to 1928?
  - Q. We have had waiting lists for many years—

Mr. Ellis: I have no objection. It is not within the scope—

THE CHAIRMAN: Most of these questions have not been within the scope of the inquiry, but we have given every latitude this morning, and I think we have gone further than we should.

MR. MACBRIDE: I quite agree.

MR. ELLIS: I think Mr. MacBride's question is outside the scope of the inquiry, but I am going to agree that the question can be answered.

Mr. MacBride: I am satisfied with the ruling of the Chair. I have been a Member of this House for quite a long time, and I know we have had this crying need for additional accommodation for years and years, and it has never been met.

MR. ELLIS: And, Mr. MacBride, even if your question is outside the scope of the inquiry, I am going to ask that it should be answered. I want Dr. McGhie to answer your question.

THE CHAIRMAN: I have ruled that the question is not a proper question. If you want to appeal from my ruling, and if the Committee accepts it, well and good.

MR. MACBRIDE: No, I accept your ruling.

MR. CRAIG: Agreeing that we have had a waiting list for years, and there was a hospital under way in 1934 and this Government refused to build it and said it was a waste of money—is that a fair question? I leave it to the Chairman.

HON. MR. ROEBUCK: No, it is not a fair question. It has nothing to do with the question before this Committee.

Mr. Ellis: Mr. Attorney-General, Mr. Craig was not talking to you, but to the Chairman.

THE CHAIRMAN: Let us get on with the matters before us. Mr. Craig, you know that you have no right to ask a question with reference to Government policy?

MR. CRAIG: I am not talking about Government policy, but about a Government hospital that was on its way to be built at Smiths Falls.

THE CHAIRMAN: And there is no doubt that your question involved Government policy.

Mr. Craig: You are a lawyer and can put it in proper shape.

THE CHAIRMAN: If you were within the scope of the enquiry, I would say you could ask whether a hospital was being built, and whether it was stopped.

Mr. Craig: I do not need to ask that question, because I know a hospital was being built and I know it was stopped. And I know that the Prime Minister said it was a waste of money, and it was not needed.

THE CHAIRMAN: Then let us get on with the enquiry, and do not bother with questions which are not necessary.

MR. CRAIG: Q. Does it not go without saying that the hospital was very necessary at that time?

THE CHAIRMAN: Ask the question, if you wish.

Mr. Craig: In your opinion, Dr. Faulkner, do you think that a hospital was necessary in Smiths Falls in 1934?

HON. MR. ROEBUCK: I object to that, and I insist upon my objection. We are not going into everything of a political nature that the honourable Member cares to bring up in this Committee. We are here about certain repairs done in certain hospitals.

Mr. Craig: And you cannot ask a question as to why a hospital was not wanted?

HON. MR. ROEBUCK: No, the resolution is in front of you, and you can read it.

Mr. Craig: In other words, I cannot ask any question that does not suit you or the Government. In that case, what is the use of having a Committee at all?

HON. MR. ROEBUCK: You must talk to the resolution.

THE CHAIRMAN: Let us get on, please.

Mr. Craig: This is something which the public wants to know, and that is what the meetings are for.

HON. MR. ROEBUCK: I ask the ruling of the Chair.

THE CHAIRMAN: I rule that you are out of order. Let us get on with this inquiry.

Mr. Craig: Then would it be fair for me to put it in this way, that unless I ask a question that satisfies you or the Attorney-General, it would not be answered?

THE CHAIRMAN: No, it is not true, and you know it, because you have been here long enough to know what the rules of the Committee are.

Mr. Craig: I have been on the Committees for years, and I know that if it is not favourable to the Government it is out of order.

THE CHAIRMAN: That is not a fair statement.

HON. MR. ROEBUCK: I demand that the Member withdraw that statement, because it is in the face of the rulings of the Chair; it is improper, it is disrespectful, and it should not be asked by anybody who knows the first iota about parlialiamentary proceedings; and the honourable gentleman should withdraw his statement.

THE CHAIRMAN: The question before the Committee is set out in this

resolution. You asked for information about certain things, and we should be confined to those matters.

If you want other information, you should have asked for it in the resolution.

Mr. Ellis: All right, Mr. Chairman, if I move another motion, to have a completely wide-open investigation into the hospital situation in Ontario, will you accept my motion?

THE CHAIRMAN: I could not accept your motion, because we are going to adjourn to-day.

HON. MR. ROEBUCK: And if we had a hundred years to sit, you would not have power to ask such a question.

MR. MACBRIDE: I move that we adjourn.

MR. ELLIS: No, I am going to ask one more question.

Q. Then, Doctor, the situation at the present moment is that if you had the money you know is needed for additions, you would have put the additions on?

HON. MR. ROEBUCK: I object to the question, and insist upon my objection.

MR. ELLIS: I want to adjourn, Mr. MacBride, and when that question is answered we will adjourn.

Do you mean to say, Mr. Attorney-General, that a Minister will not answer when you tell him he should not?

HON. MR. ROEBUCK: He will not answer if the Chairman makes a ruling that he should not.

MR. Ellis: The Chairman has not made any ruling.

THE CHAIRMAN: I rule that that question is outside the scope of the inquiry under this Motion.

HON. Mr. ROEBUCK: Before we adjourn, I move that the Committee make the usual report.

THE CHAIRMAN: It has been moved that the Committee make the usual report. All in favour signify in the usual way. Carried.

HON. MR. ROEBUCK: Q. Are the number of these patients making application to the Hospital for the Insane, the defective, and so on, increasing?

A. I think it is.

Q. And has that condition prevailed over a number of years?

A. Yes.

MR. ELLIS: What is the waiting list now?

THE CHAIRMAN: He answered that before.

MR. MACBRIDE: We have adjourned, and half the Members are gone.

MR. DUCKWORTH: In reference to the increase, I do not necessarily agree with the Attorney-General. The increase is at one particular age, that is, from forty.

THE CHAIRMAN: Ask your question.

Mr. Duckworth: How many patients were there in excess of the accommodations in 1934?

MR. MACBRIDE: You can get that from the Department. I went there in 1933 and got it.

WITNESS: Do you mean on the waiting list?

MR. DUCKWORTH: We understand that there are three thousand now in excess of the accommodation. How many were there in 1934?

A. One would have to review the figures for that year.

Mr. MacBride: Doctor, in 1933, a great many patients—

Mr. Ellis: Mr. MacBride, we have adjourned.

MR. MACBRIDE: We adjourned, didn't we?

MR. ELLIS: Yes.

MR. MACBRIDE: Of course we did.

Committee adjourned.

### APPENDIX No. 2

Report and Minutes of the Meeting of the Standing

Committee on Fish and Game

Session of 1937



# Report of the Standing Committee on Fish and Game 1937

#### SESSION OF 1937

To the Honourable the Legislative Assembly of the Province of Ontario:

#### GENTLEMEN:

Your Standing Committee on Fish and Game begs leave to present to the House the Minutes of their meetings held during the current Session and recommend that they be printed as an Appendix to the Journals of the House.

All of which is respectfully submitted.

W. L. MILLER, Chairman.

Committee Room, Wednesday, March 24th, 1937.

## Minutes of the Meetings of the Standing Committee on Fish and Game

#### FIRST MEETING

Wednesday, March 3rd, 1937.

The Meeting was held for organization purposes, the following members of the Committee being present:

Messrs. Armstrong, Baker, Blakelock, Bowerman, Bragg, Brownridge, Campbell, Carr, Croome, Des Rosiers, Dewan, Dickson, Fulford, Gardhouse, Gordon, Guthrie, Habel, Kelly, Marceau, Miller, Murray, McVicar, Nixon (Brant), Nixon (Temiskaming), Oliver, Sangster, Schwenger, Trottier, Wigle.

Mr. W. L. Miller, on the nomination of Hon. Mr. Nixon, seconded by Mr. Frank Kelly, was elected Chairman of the Committee.

The Chairman, in his opening remarks, reviewed the work accomplished by the Fish and Game Department and congratulated the Minister and Deputy Minister on their efforts on behalf of game conservation and fish propogation. Both officials had an intimate knowledge of the problems in Ontario wild life and both were sportsmen.

The Honourable Mr. Nixon thanked the Committee for its work in the past and expressed the view that its activities in the future would be of great value to the Department. There would not be a great deal of legislation affecting game and fish this session, but he was sure that what there was in the way of amendments would meet with general approval by the Committee.

The Committee on Fish and Game was an important one and he felt that much good was accomplished at these meetings, particularly when representatives of various sportsmen's associations were present. An exchange of views on various problems was always beneficial, the Minister said.

The Minister referred to a newspaper article in which it was suggested that an independent commission be appointed to administer the game laws of the Province. He did not believe for one moment that this opinion was held generally by sportsmen in Ontario. The Government took responsibility for its actions and was operating in what it considered was the best interests of fish and game in the Province of Ontario.

Extensive reference was made by the Minister to impending legislation. The Government proposed to amend the law respecting the hunting of deer. An amendment to the buck law would permit hunters to shoot an equal number of bucks and does. It was felt that the amendment was timely and would meet with general approval.

An amendment to allow commercial farming of pheasants would also be introduced this session, the Minister said. In other provinces of the Dominion this was allowed and there was no reason why it should not be permitted in Ontario. Pheasants were plentiful and farmers could add to their income by selling the birds to hotels and restaurants. Proper precautions would be taken to prevent abuse of this law, it was explained.

There would be legislation concerning foreign power craft fishing in Ontario waters. Owners of such craft would be compelled under the new amendment to hire Canadian guides. Many of these visitors fished in Ontario waters and left very little in the way of revenue on this side. The hiring of Canadian guides would benefit those who followed this occupation.

A short review was given by the Minister of the Department's work in connection with fish propagation. This was coming along in satisfactory fashion and anglers were assured of a plentiful supply of all kinds of game fish in provincial waters.

It was moved by Mr. Trottier, seconded by Mr. Campbell, that the next meetings of the Committee be held on Thursday and Friday, March 11th and 12th, at 10.30 a.m.

Before adjourning a short review of departmental activity was given by Mr. James Taylor, Deputy Minister of Fish and Game. Mr. Taylor dealt with the proposed legislation and its bearing on wild life.

On motion of Hon. Mr. Nixon, seconded by Mr. Fulford, it was decided to ask the various hunters' and game associations to have representatives present at these meetings.

The Committee rose at 11.45 a.m.

#### SECOND MEETING

Thursday, March 11th, 1937

The Committee met at 10 a.m. for the purpose of giving hearings to representatives of the Ontario Hunters Game Protective Association and the Ontario Tourist Trade Association.

The following members were present:

Messrs. Armstrong, Baker, Ballantyne, Black, Blakelock, Bragg, Brownridge, Challies, Colter, Croome, Dewan, Dickson, Duncan, Fulford, Guthrie, Habel, Houck, Hunter, Kelly, Lapierre, Marceau, Miller, Murray, Macfie, McVicar, Nixon (Brant), Nixon (Temiskaming), Oliver, Patterson, Schwenger, Smith, Tanner, Wigle.

Mr. W. L. Miller, Chairman of the Committee, was in the chair. He asked Hon. Mr. Nixon to address the Committee.

Hon. Mr. Nixon, for the benefit of the associations represented at the hearing, reviewed the work of the year and told of proposed legislation. He congratulated the associations on the good work they were doing and promised a continuation of departmental co-operation with them in advancing the best interests of sport in Ontario.

William Gastle, honorary president of the Ontario Hunters Game Protective Association, then presented the following for consideration of the Committee:

"March 9th, 1937.

"The following resolutions were approved at the annual meeting of the Ontario Hunters Game Protective Association which was held in the King Edward Hotel on February 10th, 1937. We beg to present them for your consideration:

- "1.—We commend the action of the Government in prohibiting the baiting of wild fowl.
- "2.—We recommend better enforcement of the Game Laws. More paid wardens be appointed and that deputy wardens be paid a reasonable fee for their services.
- "3.—We recommend that a fixed period of the school curriculum be devoted to wild life conservation.
- "4.—We recommend that a button be issued with all hunting and trapping licenses.
- "5.—We recommend that gun licenses be issued from September 5th to February 15th south of the French and Mattawa Rivers.
- "6.—We recommend that a closed season be declared on all hares and rabbits in Southern Ontario from February 15th to October 1st. That the use of the ferret be prohibited and the cottontail be placed on the game list.
- "7.—That the Department of Game and Fisheries undertake increased propagation of Hungarian Partridge, Quail and Pheasants.
- "8.—We recommend a scientific investigation into the methods by which the wolf may be destroyed.
- "9.—We recommend that there be a closed season on muskrats in that section of the Province south of the French and Mattawa Rivers.
- "10.—We recommend that the system of zoning in relation to open seasons be enlarged as we feel that this is necessary in such a large Province.
- "11.—We recommend that a hunting license be refused to any person for a period of two years who is found guilty of any infraction of the Game Laws.
  - "12.—We recommend that the return of the questionnaire on the deer hunt-

ing license is of vital importance. We suggest that a refund of \$1.00 be made to those hunters who make the necessary return.

- "13.—We recommend that the setting of snares during the deer hunting season be prohibited.
- 14.—We recommend that cold storage plants be inspected each year in the month of December. Also, that the cold storage plants be required to furnish the name of each individual and the amount of game which he has placed in storage. We think this would prevent a great deal of the illegal sale of game.
- "15.—We recommend that the sections of the game law relating to bear be rescinded.
- "16.—We suggest that the number of does that may be taken be increased to a doe for each buck. This is suggested because of the increase in our deer herds due to the mild winters of the past few years.
- Mr. Gastle complimented the Department of Fish and Game on its work and said huntsmen and anglers were delighted at the efforts being made by the Department to rectify problems of a perplexing character.
- E. L. Hughes, representing the Ontario Tourist Association, spoke at length on matters arising out of the recommendations. He urged that the Department of Fish and Game be given an appropriation of \$2,000,000 to carry on its work. This amount, at least, was needed, he declared.

Fraser Hunter, M.P.P., thought a larger appropriation would be a splendid move. He felt that the Department was achieving remarkable results with little money and that the amount should be substantially increased.

George Fulford, M.P.P., also supported this suggestion.

The zoning of areas was dealt with and views for and against were heard from Norval Lynn, Welland; Jack Griffiths, Halton; J. D. Chapland, Burlington; Henry Nicholson, Lincoln County, and E. O. Calvert, Rainy River.

The baiting of pheasants brought expression of views from many present. It was pointed out that the mild winter had given poachers and others better opportunity to bait pheasants than in ordinary.

Hon. Mr. Nixon, in dealing with the farmers' problems in the shooting seasons, said the Department would restore the button plan which was discontinued some time ago. All members of hunters' associations would wear this button and thus give farmers an opportunity of knowing who they were.

The amendment to the buck law, permitting an equal number of does and bucks to be shot, brought conflicting views, but the majority appeared in favour of the change.

Mr. James Taylor, Deputy Minister, in the course of a brief review, said the

interests of conservation were paramount and he felt that it would be a good move if school curriculums gave a half hour a week to this topic.

The following brief was submitted:

- Resolutions passed by Annual Meeting of the Ontario Tourist Trade Association, held in Royal York Hotel, Toronto, on Wednesday, March 10th, 1937, and submitted to the Fish and Game Committee of the Ontario Legislature.
- 1. That at least 300 more game wardens be employed in Northern Ontario. We respectfully suggest men with some knowledge of biology—for purposes of prevention rather than conviction—be appointed.
  - 2. That the Non-resident Moose License fee remain as at present.
- 3. That small fenced sanctuaries of not less than half a township, adequately patrolled, be established for deer and moose.
- 4. That the Department of Game and Fisheries be granted \$2,000,000 annually for purposes of protection and propagation.
  - 5. That no restrictions be placed upon the shooting of doe deer.
- 6. That the shooting of bear be limited to two per hunter per season and that the necessary shipping coupons be provided on license.
- 7. That the buying of fur be restricted to the holders of Store license only, with a view to eliminating the illegal traffic between trapper and travelling fur buyers.
- 8. That a close check-up be made on cars using the new Kenora-Fort Frances and similar highways in game areas during the hunting season.
- 9. That the Department of Game and Fisheries be requested to furnish in game laws a definition of the rights of Indians with regard to fishing and hunting off their Reserves.
- 10. That the use of trappers' snares be prohibited during the hunting season where the use of dogs is permitted.
  - 11. That the use of poison by trappers be entirely prohibited.
- 12. That provision be made for the establishment of a game preserve in Sioux Lookout area.

#### THIRD MEETING

Friday, March 12th, 1937

The Committee on Fish and Game held its third meeting on Friday, March 12th, in Committee Room No. 2. Mr. W. L. Miller, Chairman, was in the chair.

The following members were present:

Messrs. Armstrong, Baker, Blakelock, Bowerman, Bragg, Brownridge, Campbell, Carr, Croome, Des Rosiers, Dewan, Dickson, Fulford, Gardhouse, Gordon, Guthrie, Habel, Kelly, Marceau, Miller, Murray, McVicar, Nixon (Brant), Nixon (Temiskaming), Oliver, Patterson, Sangster, Schwenger, Trottier, Wigle.

Representatives of the Ontario Federation of Anglers were present.

Mr. W. L. Miller invited Hon. Mr. Nixon to address the meeting.

Hon. Mr. Nixon said there had been a great influx of tourists from the United States last Summer and he predicted there would be a tremendous number this year. A large percentage of the visitors to Ontario came to fish. Last year 67,000 non-residents angled in Ontario waters and this brought a big revenue to the people of Ontario.

When the present administration took office, the department was losing money, the Minister said. To-day, it was on the right side of the ledger, due, he felt, to proper methods and policies.

H. H. McKay, Director of the fish culture branch, outlined what had been done with regard to restocking lakes and streams. The work carried out in Ontario compared more than favorably with the work done in the State of Michigan, he said.

Jack Hambleton, director of the Ontario Travel and Tourist Bureau, gave a brief account of the bureau's work. He stressed the importance of game conservation and fish propagation, declaring that hunting and fishing were two of the chief attractions to tourists. He predicted an increased revenue from tourists for the Summer of 1937.

The advisability of having more game wardens in the province was discussed.

Dr. M. T. Armstrong, M.P.P., felt that an increase would be advisable under the circumstances. He said that the provincial police were doing good work in enforcing the game laws.

Hon. Mr. Nixon said that he had received satisfactory reports from many parts of the province over the work of provincial police. He offered, however, to take up the question of appointing additional game wardens where it was shown that a need existed.

The Committee adjourned at 12.15 p.m.

#### FOURTH MEETING

#### Wednesday, March 24th, 1937

The fourth and final meeting of the Fish and Game Committee was held in Committee Room No. 1, at 10.30 a.m. Mr. W. L. Miller, Chairman, was in the chair.

Present were Messrs. Blakelock, Campbell, Croome, Des Rosiers, Fulford, Gordon, Guthrie, Habel, Houck, Hunter, Kidd, Miller, Patterson, Wigle.

Mr. R. G. Croome, M.P.P., asked Deputy Minister James Taylor what progress had been made in education work among children.

Mr. Taylor replied that one official of the department, John Macartney, had been given the duty of visiting schools and clubs and speaking on wild life and its conservation. Last year he attended over 100 meetings. Some difficulty was experienced in gaining access to schools because of the fear that there would be interruption of the school curriculum.

The Deputy Minister expressed the hope that the Department of Education might some day make a course part of the curriculum and he urged members to use their influence to bring this about. Mr. Taylor also made reference to the monthly bulletin published by the Department.

Mr. Fraser Hunter, M.P.P., said he had received numerous inquiries from people regarding the danger of Lake Nipigon waters becoming polluted by waste from the proposed pulp mill to be erected.

Mr. Taylor said this was a matter which came under the Lands and Forests Department. He urged members of the committee to do all in their power to see that the department was advised of the dangers to game fish in Lake Nipigon.

Mr. George Fulford, M.P.P., said it was the duty of every member to use every bit of influence to see that the waters were not polluted. The Ottawa River was a case in point, he said. Not only fish but ducks as well would be killed by pollution.

Mr. Taylor recommended that the committee go on record in the matter.

It was moved by Mr. Hunter, seconded by Mr. Houck, that the committee go on record as recommending to the Department of Lands and Forests that reasonable action be taken to ensure against pollution of Ontario waters, particularly Lake Nipigon. The motion was passed unanimously.

Mr. Miller thanked the committee for its work. He referred to the successful meetings that had been held and paid tribute to the constructive suggestions which came from outside bodies when they appeared before the committee.

Mr. Houck moved a hearty vote of thanks to Mr. Taylor, the Deputy Minister. He doubted if the department had ever had such a capable deputy

minister as Mr. Taylor. Sportsmen throughout the Province were confident in his ability to look after their interests, Mr. Houck declared. The name of the Chairman was coupled in the resolution, Mr. Houck paying tribute to his work.

The resolution was seconded by Mr. T. A. Kidd, M.P.P., and unanimously carried.

The meeting adjourned at 11 a.m.



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